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NOTICE: An * indicates material not previously disseminated in electronic form.

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Minsk Summit Agenda To Include 22 Issues

LD2305182495 Moscow INTERFAX in English 1732 GMT 23 May 95

[FBIS Transcribed Text] MINSK, May 23 (INTERFAX-West) — The CIS leaders are expected to discuss eight issues at their summit in Minsk, while another 14 are to be discussed by the CIS Heads-of-Government Council.

The main issues include draft agreements on the creation of an interstate currency committee, extension of CIS peacekeepers' mandates in Tajikistan and Abkhazia, on transportation of special and military cargo, guard of the CIS borders with other states as well as organizational and procedural issues of the CIS collective security system.

In particular, the summit is expected to adopt regulations on the Collective Security Council's staff, determine sources of its financing and extend the powers of its current Secretary General, Gennadiy Shabannikov.

The collective security package also includes a plan for the implementation of the collective security concept and the guidelines for widening military cooperation of states-parties to the Collective Security Treaty. The document includes 22 articles and, in part, envisions developing a draft agreement on interaction between the CIS law-enforcement bodies in the fight against organized crime.

The Heads-of-Government Council's agenda includes draft agreement on interstate settlements, on the creation of an interstate atomic energy center and mutual assistance in the elimination of the after-effects of nuclear contamination and on the implementation of an agreement to build a car-making plant in Yelabuga.

On the eve of the summit, the CIS foreign ministers will meet in session in Minsk on May 24 to agree on the agenda.

Observers believe that the fiercest debate will arise concerning the convention on human rights and freedoms. The previous summit and meetings of CIS experts showed that Ukraine believed it inexpedient to sign the document referring to its involvement in similar international documents already concluded. In turn, Azerbaijan, Belarus, Kyrgyzstan and Moldova proposed a CIS declaration of human rights be developed on the basis of the convention.

On May 25, the CIS border troop commanders will gather in Minsk to discuss a concept for the treaty on the guard of the CIS external borders.

According to the summit procedure, the CIS presidents will hold a two-hour closed meeting in the government residence on Voiskovoy Lane at 10:00 (local time, 11:00 Moscow time). Simultaneously, the CIS prime ministers will meet in the CIS Headquarters. At noon there will be a half-hour break. From 12:30 to 14:00, the CIS presidents and prime ministers will hold a joint meeting.

The CIS leaders will give a news conference in the Belarusian National Press Center at 14:00.

Countries Agree To Settle 1992-1993 Debts

MK2405073095 Moscow SEGODNYA in Russian 24 May 95 p 1

[Unattributed report: "Settlements Between CIS Countries Regulated"]

[FBIS Translated Text] An agreement on regulation of interstate settlements proceeding from results of trade and economic relations between CIS countries was reached in yesterday's sitting of the presidium of the interstate economic council. CIS countries' representatives agreed to recognize as their liabilities the balance in settlements between their states resulting from their trade and economic relations in 1992-1993. The finance ministers were recommended to ready for signing within six months bilateral intergovernmental and interbank agreements on settling their liabilities proceeding from the results of trade and economic relations in 1992-1993.

ITAR-TASS Carries Press Review for 24 May

LD2405081795 Moscow ITAR-TASS in English 0435 GMT 24 May 95

["Press Review" — ITAR-TASS headline]

[FBIS Transcribed Text] Moscow May 24 ITAR-TASS — Russian newspapers continue to concentrate on the elections to the State Duma (Russian parliament lower house) next December.

Commenting in the PRAVDA newspaper on a decision by President Boris Yeltsin to veto the bill on elections of lower house members, Viktor Zorkaltsev, deputy chairman of the Communist Party group at the Duma, expressed conviction that it is necessary to overcome the veto.

"The president should understand that he is wrong in his main demand: to change the ratio of deputies to be elected by party lists and by constituencies, from 225:225 to 150 by lists and 300 by constituencies."

"The Duma has two versions now," the TRUD newspaper writes. "It can agree with the president's amendments, change the bill (simple majority is enough for this purpose) and to submit it to the Federation Council (Russian parliament upper chamber) which will of course adopt the amendments.

"This will be the shortest but the least probable road. The Duma may overturn the president's veto by a two-third majority vote. But we can say for sure that this will not be done by the Federation Council. In this case, a conciliatory commission and a search for a common decision will be needed."

In the final analysis, the newspaper draws the conclusion, "everything will depend on what is more important for Duma groups: their wish to preserve comfortable conditions at the elections or understanding of the need for elections themselves".

The ROSSISKAYA GAZETA newspaper, relying on the data of the latest public polls, forecasts results of new blocs at the coming elections: that of Prime Minister Viktor Chernomyrdin ("Russia Is Our Home") and of State Duma speaker Ivan Rybkin.

In the newspaper's opinion, the two blocs have "a low level of support among voters". As a result, "the place designed for centrists in the structure of Russian political forces will be occupied by national patriotic and extremist forces, and the opposition to the present authorities will be mostly elected to the Russian parliament".

Under the title "We do not need revolutions", the same newspaper carries an interview with Yegor Gaydar, leader of the Russia's Democratic Choice party.

"We shall not merge with the "Russia is Our Home" movement, but we are allies in opposing extremists," he said. "Firstly, we are ready for cooperation in elections at majority system constituences. Secondly, we have two-round presidential elecitons and, taking into account their results, we do not preclude a possibility of a manoeuvre."

The PRAVDA newspaper describes the Chechen events. It looks like that the May two-week moratorium on combat operations in Chechnya played right into Dudayev's hands," the newspaper writes.

"As a result, instead of 'bandit groups' which were routed and dispersed during April battles, federal forces have faced, all of a sudden, new well-formed and reinforced army which, apart from successfully defending gorges and passes leading to mountainous Chechnya, carries out combat operations in the suburbs of the Chechen capital."

"Fleet sinks in offices" is the title of an article by Anatoliy Goldobenko, head of the Russian association of independent ship-owners, which was published by the TRUD newspaper.

According to Goldobenko, Russia "may lose the status of a great sea power" by the beginning of the next century. Following the collapce of the Soviet Union, the Russian merchant marine lost the greater part of container, refrigerated and special fleet as well as major ports on the Black and Baltic seas, he wirtes.

The average age of ships is 17 years, and two-thirds of the fleet will be written off by the year 2000. The author puts the blame for this situation on Russian bureaucracy in the person of the Justice Ministry, Central Bank and other organisations.

Goldobenko sees a way out in the state shouldering some duties for the revival of the Russian merchant marine.

NEZAVISIMAYA GAZETA editor-in-chief Vitaliy Tretyakov carries "an address to friends": "What some waited for a long time and what others stubbornly resisted has happened: NEZAVISIMAYA GAZETA is forced to stop its publication. Reasons are trivial: lack of money and debts."

U.S. JCS Chairman Cited on NATO, Russia, Iran

MM2305153295 Moscow KRASNAYA ZVEZDA in Russian 23 May 95 p 3

[Report by ITAR-TASS correspondent Aleksandr Pakhomov: "General Shalikashvili Proposes Not Hurrying"]

[FBIS Translated Text] New York, 22 May — General John Shalikashvili, chairman of the U.S. Joint Chiefs of Staff [JCS], is opposed to a hasty resolution of the question of extending NATO eastward. "Before starting to talk about enlarging NATO," he pointed out in an interview in THE NEW YORK TIMES MAGAZINE, "we have to go through the Partnership for Peace stage and the development of relations between the alliance and the partners which in a certain sense will bring them closer to us and enable them to become more like us. Through Partnership for Peace," the general emphasized, "the Russians will become closer to the alliance."

According to Shalikashvili, "Everyone was surprised by the end of the Cold War." "Even those who had thought about this far more than I had were unable to imagine such a thing," the general continued. "It had been assumed that the Cold War would periodically ease up and flare up. But they had not expected the Soviet empire to end.... After World War II it took us 10 years to put our house in order. It will now take not less but even more time to resolve all the problems in Europe, where there is no longer any confrontation with communism."

In the general's opinion, the greatest threat to U.S. security is posed by "complacency and our ideas that nothing threatens peace anymore and that we have nothing more to worry about." "Today we are most concerned — and this is understandable — about our interests in the Near East and in Korea. But we should not focus too much on Iraq or North Korea. I am very concerned about Iran, particularly if we forecast the development of the situation there for years ahead. With regard to the fact of Iranian support for terrorism, I believe that that country poses a potential threat to the whole region," Shalikashvili declared.

U.S. Inspectors Leave Kamchatka 'Satisfied'

MM2405083695 Moscow KRASNAYA ZVEZDA in Russian 23 May 95 p 3

[Report by Sergey Voyeykov: "Being an Inspector Is a Difficult Job"]

[FBIS Translated Text] The U.S. military officials belonging to the commission monitoring implementation of the Russian-U.S. disarmament treaties left snow-covered Kamchatka generally satisfied with the results of their inspection of one of the Kamchatka military flotilla's troop units.

Your KRASNAYA ZVEZDA correspondent was told by Captain First Rank Leonid Lupach, the flotilla's deputy commander, that no shortcomings or violations were discovered and that the minor comments made by the Americans were sorted out on the spot.

Regrettably, despite the cordial reception organized by the Russian side, one commission member left his hospitable hosts a day early. The United States sent an S-141 aircraft to Kamchatka to pick up the U.S. citizen, who had suddenly become ill, and took him to Japan for treatment.

Yeltsin Criticizes Israel's Expropriation Plans

LD2305183195 Moscow INTERFAX in English 1732 GMT 23 May 95

[FBIS Transcribed Text] MOSCOW, May 23 (Interfax) — Russian President Boris Yeltsin believes that the Israeli government's intentions to confiscate part of the Palestinian lands in East Jerusalem run counter to the spirit and the goals of the Palestine-Israeli agreements and to the development of the peace process in the Middle East as a whole, Mikhail Demurin, an official representative of the Russian Foreign Ministry, said at a Tuesday briefing in Moscow. He was referring to Yeltsin's reply message to Hassan II, King of Morocco and chairman of the Islamic Conference Organization (OIC).

Demurin said Yeltsin had told King Hassan about the steps Russia had taken as a co-sponsor of the peace process in the Middle East in order to bring the process back "to the normal legal course."

"Russia's consistent policy on this burning issue was reflected by the fact that in the Security Council we voted for the draft resolution which defined the Israeli action as invalid," said Demurin.

Ministry Praises OSCE Initiative on Chechen Talks

LD2305150895 Moscow ITAR-TASS in English 1502 GMT 23 May 95

[By Vladimir Suprun]

[FBIS Transcribed Text] MOSCOW, May 23 (Itar-Tass) — The Russian Foreign Ministry and federal power bodies positively estimate the OSCE initiative to hold negotiations on Chechen settlement under OSCE aegis, official representative of the Russian Foreign Ministry Mikhail Demurin told Itar-Tass today.

In his words, the agreement to start negotiations on May 25 in the building of the OSCE Groznyy mission is preliminary. The negotiations are expected to involve head of the federal executive bodies in Chechnya Nikolay Semenov, chairman of the Chechen Committee for National Accord Umar Avturkhanov and Dzhokhar Dudayev.

Russia thinks that the assistance to a dialogue for normalization of the situation and restoration of constitutional order in Chechnya does not run counter to the mandate of the OSCE mission in Chechnya, noted Demurin. Heads of local bodies of federal power support the OSCE initiative and hope for constructive interaction with its representatives, he said.

At the same time, one can count on success of negotiations only with obligatory recognition of Chechnya as a constituent member of the Russian Federation on the part of all sides.

UN High Commissioner's Envoy Arrives in Moscow

LD2305152095 Moscow ITAR-TASS in English 1509 GMT 23 May 95

[By Vladimir Suprun]

[FBIS Transcribed Text] MOSCOW, May 23 (Itar-Tass) — F. Pokar, special envoy of the U.N. High Commissioner on Human Rights, arrived in Moscow on Tuesday in compliance with the agreement between the Russian government and U.N. High Commissioner on Human Rights.

The special envoy is expected to study the situation in the Chechen Republic in order to work out a programme on the participation of the U.N. High Commissioner to restore the legal process in Chechnya and ensure the respect of human rights in the republic, deputy Russian Foreign Ministry spokesman Mikhail Demurin told a briefing today.

During the stay, Pokar will hold talks with heads of ministries and departments, meet with Chairman of the Presidential Commission for human rights Sergey Kovalev and representatives of non-governmental organisations.

On May 24-26, Pokar will visit Chechnya, Dagestan and Ingushetia.

Decree on Observers for Ex-Yugoslavia Mission

MM2305134595 Moscow ROSSIYSKAYA GAZETA in Russian 23 May 95 First Edition p 10

[Russian Federation Government Decree No. 488 "On Sending Russian Observers to the Mission of the International Conference on the Former Yugoslavia"]

[FBIS Translated Text] Moscow, 17 May 1995 — With a view to helping in the implementation of international monitoring of the regime established by the authorities of the Federal Republic of Yugoslavia with regard to the common border with Bosnia and Herzegovina the Russian Federation Government decrees:

1. The Russian Federation Ministry for Civil Defense Affairs, Emergency Situations, and the Elimination of the Consequences of Natural Disasters must send at the Russian side's expense to the mission of the international conference on the former Yugoslavia (hereinafter referred to as the Mission) two shift groups of Russian observers (each of 40 people for 96 days) to render assistance to this mission.

2. The Russian Federation Foreign Ministry and the Russian Federation Ministry for Civil Defense Affairs, Emergency Situations, and the Elimination of the Consequences of Natural Disasters must resolve questions connected with shaping relations with the Mission and forming groups of Russian observers sent to the territory of the former Yugoslavia.

3. The Russian Federation Ministry for Civil Defense Affairs, Emergency Situations, and the Elimination of the Consequences of Natural Disasters must as an exception be allowed to pay expenses in foreign currency to the Russian observers sent to the territory of the former Yugoslavia:

a) for the time of their stay abroad to the extent envisaged by the Russian Federation Council of Ministers-Government 1 December 1993 decree no. 1261 for workers sent to the former Yugoslavia from the Russian Federation for a period of up to 60 days;

b) for the time of their stay in the fighting zone with an increment of 20 percent of the normal expenses stipulated by subpoint "a" of this point.

4. The Russian Federation Ministry of Finances must earmark in 1995 for the Russian Federation Ministry for Civil Defense Affairs, Emergency Situations, and the Elimination of the Consequences of Natural Disasters for the purposes indicated in this decree appropriations

of up to R1.072 million and 155 million rubles from the federal budget envisaged for nontrade purposes.

[Signed] V. Chernomyrdin, chairman of the Russian Federation Government

Visiting Cuban Minister Meets Davydov, Chernomyrdin

Holds Talks With Deputy Premier

LD2305183295 Moscow INTERFAX in English 1732 GMT 23 May 95

[FBIS Transcribed Text] MOSCOW, May 23 (Interfax) — The economic links between Moscow and Havana should take on a broader scale than the annual sugar for oil deals, Deputy Prime Minister and Foreign Economic Relations Minister Oleg Davydov told Interfax.

He had met with Cuban Foreign Minister Roberto Robaina in Moscow Tuesday to discuss rebuilding of the bilateral economic cooperation to the former level.

Davydov said that Russia is prepared to step up the supplies of equipment for numerous Cuban industries, notably for the processing industries and power installations.

He called for early completion of the construction of a Juragua nuclear power station which he described as the symbol of the Russian-Cuban cooperation. Davydov said that the station is 80% complete and its commissioning will save Cuba about five million tonnes of oil and give a boost to the country's economy.

He recalled that Russia gave Cuba a $350 million credit for the construction and overhaul of numerous factories in Cuba and $30 million for continuation of the Juragua project.

Davydov said that Cuba owes Russia 21 billion transferable Soviet-time rubles and that the talks on transferring the debt into dollars and paying it back are under way.

According to Davydov Russia will supply three million tonnes of oil to Cuba in exchange for one million tonnes of raw sugar in 1995. He believed that this contract in the framework of an inter-governmental protocol on current settlements and payments will keep the sugar prices up, provide sugar to most vulnerable strata of the population and maintain jobs for 100,000 sugar refinery workers.

Now Russia is completing supplies of 2.5 million tonnes of oil in exchange for one million tonnes of crude sugar under a deal reached in December 1993.

Agreement Reached on Obligations

LD2405120495 Moscow ITAR-TASS in English 1142 GMT 24 May 95

[By Gennadiy Yezhov]

[FBIS Transcribed Text] MOSCOW May 24 (Itar-Tass) — Russia and Cuba confirmed their readiness to hammer out jointly principles and approaches to meet mutual obligations of Soviet times, including the Cuban debt to Moscow, Cuban Foreign Minister Roberto Robaina Gonzalez said here on Wednesday after a meeting with Russian Premier Viktor Chernomyrdin.

According to the Cuban minister, this meeting became "another working moment" in the construction of Russian-Cuban relations "on new principles".

The minister noted that it is very difficult to appraise the problem of Cuban debts to the former Soviet Union and now to Russia, since they accumulated "under certain conditions".

There is not only the Cuban debt, but also debts and unfulfilled obligations towards Cuba, he said. Both Cuba and Russia are ready to work on meeting mutual obligations and to determine jointly principles and approaches for this purpose.

However, the minister continued, "our position is that we cannot speak only about payment by Cuba of all bills for Soviet deliveries which were made under certain political conditions".

Robaina noted that "it was very difficult for Cubans to overcome a situation in the country, which developed after 1989".

"We are now building new actualities of life," the minister stressed. "We noted during the conversation with Prime Minister Chernomyrdin that traditions of our cooperation which have developed over decades, will help to deepen Russian-Cuban relations."

Duma Chairman Receives French Senate Delegation

LD2305181495 Moscow ITAR-TASS World Service in Russian 1157 GMT 23 May 95

[FBIS Translated Text] Moscow, 23 May (ITAR-TASS) — Ivan Rybkin, chairman of the Russian Federation State Duma, today received a delegation from France's Senate, headed by Xavier de Villepin, chairman of the Committee for Foreign Affairs, Defense and Armed Forces. In the course of the conversation they discussed the political situation in Russia, preparations for the parliamentary elections, lawmaking processes in the State Duma. This was said in a report by the press service of the State Duma received by ITAR- TASS today.

The chairman of the State Duma assured the French senators that the laws on elections will be adopted by the chamber before the spring session ends and that the deputies are ready to work out a compromise while considering proposals made by the Russian Federation president.

Both sides expressed mutual interest in closer interparliamentary cooperation.

Rybkin, PRC Parliamentary Official Hold Talks

LD2305162495 Moscow ITAR-TASS in English 1359 GMT 23 May 95

[FBIS Transcribed Text] MOSCOW, May 23 (Itar-Tass) — A meeting of Russian Duma speaker Ivan Rybkin and head of the Chinese parliamentary commission for foreign affairs Zhu Liang was held here today to discuss interparliamentary relations.

A report of the Duma press service received by Itar-Tass today says that the interlocutors discussed the bilateral agreement on eastern part of the state border. The Chinese delegation head noted that the Chinese parliament had ratified the agreement. Rybkin is prone to think that the Chinese example will be followed by the State Duma. "The majority of deputies stand for good relations with China," he said.

Zhu Liang told Rybkin about his meetings with Duma factions and committees and noted understanding in many aspects of Sino-Russian relations.

The sides informed each other of economic reforms in Russia and China and expressed the wish to learn each other's useful experience.

'Mystery' Surrounding Grachev PRC, ROK Trips

MM2305134795 Moscow ROSSIYSKAYA GAZETA in Russian 23 May 95 First Edition p 14

[Commentary by Vadim Alekseyev: "The General's Diplomatic Voyage. Postscript to P. Grachev's Visit to China and South Korea"]

[FBIS Translated Text] This is a real mystery to the mass media: What actually happened in China and South Korea during Russian Defense Minister Pavel Grachev's visit? Some believe that the visit was of a familiarization nature. Others talk of a breakthrough in a new direction — Asia — in the context of the Foreign Ministry's passivity and the threats of enlarging NATO.

By all accounts the main topic of discussion during the visit to China and South Korea was military-technical cooperation: China has many Soviet-Russian armaments and they must be serviced and maintained, spare parts must be obtained, and personnel trained. As the WALL STREET JOURNAL wrote in this context, China has more than doubled defense expenditure in the last six years. At the same time the strength of its Armed Forces decreased from nearly 5 million in the second half of the seventies to 3 million today. Although China sees no direct threat in the post-Cold War era, it, like many others, believes that the security situation could rapidly change and become uncertain. As it acquires economic clout, Beijing is full of resolve to add the attributes of power, including military attributes.

Naturally, there was inevitably discussion of military cooperation, in which both states are now interested. But the proposal to create a collective security system in the Asia-Pacific region sounded rather unusual coming from Grachev. "The formation of such a system has been a strategic task for a long time," Grachev told journalists after the talks had ended. Grachev noted that Russia's and China's opinions on this question "agree in principle." But literally the next day the Russian defense minister stated that, when he indicated the possibility of tackling security questions jointly, the Chinese side perceived this as the creation of some sort of alliance or bloc. "I put this question to all the leaders I met with, and received the reply that they do not intend to join blocs or alliances and that they will build relations on a bilateral basis." However, despite the fact that in effect the polite Chinese declined Grachev's enticing proposal, the Chinese defense minister has — according to his Russian colleague — been tasked with studying the possibility of China's participation in the proposed system.

As regards the results of Grachev's visit to South Korea (disregarding the reports that Russia is apparently going to sell that country "thousands of modern tanks"), the Russian minister's trip was a familiarization visit for both sides. True, the proposal on collective security added piquancy to the situation. Because the main obstacle to it is the existence of two Koreas — South Korea and the DPRK — as well as the existence of a mutual aid treaty between Russia and the DPRK. Moreover, from the legal viewpoint the two Koreas are still in a state of war.

Thus, the Russian defense minister's visit to China and South Korea, which took place shrouded in secrecy, has given rise to many questions. In this context Chinese journalists wrote about Russian-Chinese military partnership as an alternative to NATO's possible expansion and the Partnership for Peace plan. According to Grachev himself in Beijing, the latter allocates Russia the lowly role of an extra. The Chinese press also animatedly discussed the proposal to create a collective security system, which "could be interesting." At the same time the Hong Kong newspaper SOUTH CHINA MORNING POST pointed out that Grachev has essentially proposed to Beijing a natural division of Asia, where Russia and China will voluntarily take on policing functions.

So despite the shroud of secrecy concerning Grachev's visit many things are becoming clear. But the question arises: Why is it the military department that is studying the aforementioned ideas? What is the Foreign Ministry doing?

ROK Air Force Chief of Staff Arrives on Visit

'Interested' in MiG-29

LD2205115095 Moscow Voice of Russia World Service in English 1100 GMT 22 May 95

[FBIS Transcribed Text] The chief of staff of the South Korean Air Forces Kim Hong-nae has arrived in Moscow. He is expected to meet the chief of the Russian General Staff Mikhail Kolesnikov and other military leaders. The South Korean general wishes to be acquainted with Russian Air Force. As a source in the Russian Defense Ministry told the INTERFAX news agency, he is primarily interested in fighters MiG-29. On Tuesday 23 May, the general will be given an opportunity to see these combat aircraft on an airfield near Moscow.

Visits Kubinka Air Display Center

LD2305152695 Moscow ITAR-TASS in English 1301 GMT 23 May 95

[By Anatoly Yurkin]

[FBIS Transcribed Text] MOSCOW, May 23 (Itar-Tass) — Visiting Chief of Staff of the South Korean Air Force, General Kim Hong-nae today travelled to the Kubinka air show centre outside Moscow to familiarise himself with Russian combat aircraft.

After inspecting a number of planes on the ground, the South Korean general watched them fly past. Kubinka's best air aces piloted the planes to give an impressive display of their combat and aerobatics capabilities.

The shorter range MiG-29 and the longer-range Su-27 fighter planes took part in the show.

Abkhaz Official Takes Issue With Pastukhov

MM2405092995 Moscow PRAVDA in Russian 20 May 95 p 1

[Article by Anri Dzhergeniya, personal representative of the president of the Republic of Abkhazia: "Half-Truths Are More Dangerous Than Lies. On the Settlement of the Georgian-Abkhaz Conflict"]

[FBIS Translated Text] An interview with Russian Deputy Foreign Minister Boris Pastukhov was published in IZVESTIYA for 17 May 1995. For three years Mr. Pastukhov has headed the group of Russian mediators in the settlement process of the Georgian-Abkhaz conflict, and his interview was devoted to the current consultations in Moscow. Reading it, you marvel at how it is possible to come out with so many inaccuracies and distortions in a comparatively short text and to reject the position of one of the sides in the conflict.

What do we read there: "It was in Abkhazia that the Chechen gunmen gained combat experience. There are arms and drugs all over the region."

Such a high-ranking official ought to know that, long before the events in Abkhazia, followers of Zviad Gamsakhurdia and illegal "Mkhedrioni" formations had for several years been robbing Transcaucasus Military District depots and military units and going on "crusades" to Mingrelia, other regions of Western Georgia, and to Abkhazia, that 18,500 out of 20,000 prisoners were released in Georgia in 1990-1991, that it was in Karabakh that the gunmen were tested out, and that the main narcotics routes certainly do not cross Abkhazia.

Or maybe he knew this but for some reason did not want to mention it. He evidently had the following task — to "sling mud" in passing at Abkhazia through these claims, which had no direct bearing on the theme of the interview.

His replies on the actual theme of the interview were also not conspicuously objective. For example, on the subject of the legal aspects of Georgia's relations with Abkhazia, Mr. Pastukhov mentions genuine facts and documents, which, in his opinion, should convince the reader of his objectivity. However, he mentions them selectively in order once more to show the Abkhaz side in a bad light, attributing its "voracious appetite...to the military victory in Sukhumi."

He claims that the Georgian Constitution of 20 February 1921 should be considered the document on which the sides' present relations are based. For the sake of objectivity, it ought to be said that this Constitution was "in effect" for all of...one day because the Georgian Soviet Socialist Republic was formed 25 February 1921 and the Soviet Socialist Republic of Abkhazia, whose independence was recognized by Georgia in June 1921, was formed 4 March 1921. Thus since March 1921 Georgia and Abkhazia have coexisted as independent states.

All further state-law relations between Georgia and Abkhazia were determined by the union treaty of 16 December 1921, according to the first article of which "the Soviet Socialist Republic of Abkhazia and the Georgian Soviet Socialist Republic have entered into a military, political, and financial and economic union."

Therefore we have regularly written and said that civilized state-law relations arose between Georgia and Abkhazia on the basis of this agreement, and the unilateral repeal by Georgia of this and all subsequent acts brought Georgia and Abkhazia back to their relations as of 4 March 1921.

Mr. Pastukhov might agree or not with this treaty, but by keeping quiet about it he gave grounds to doubt his intention to cover this contentious problem from all angles.

Incidentally, the Georgian side also rarely mentions this agreement.

Mr. Pastukhov did not find room in his deliberations for the fact that a "Statement on Measures for a Political Settlement of the Georgian-Abkhaz Conflict" was signed 4 April 1994. Apart from representatives of the warring parties, the United Nations, and the CSCE, this document was also signed by Pastukhov himself.

In our view, there was also an ulterior motive for his failure to mention this.

Mr. Pastukhov regards as baseless the claim by the Abkhaz side that there are at present no state-law relations with Georgia. At the same time, Article 8 of the "statement" says: "...a phased program of actions as well as proposals for the revival of state-law relations will be produced."

I do not think you have to be very perspicacious to come to the conclusion that only something that has at one time existed but does not exist today can be revived.

As a participant in the negotiating process, I can attest that it was Mr. Pastukhov himself who put this sentence in the text. But it does not suit him now, therefore he does not mention it

Article 7 of this very document says: "the sides have reached a common understanding on powers for joint activities," that is, we are talking in this instance about the possibility of mutually delegating state powers.

The areas of possible joint powers are named as foreign policy, foreign economic ties, the border service, the customs service, power engineering, communications, ecology and so on. Without dissembling, as our adversary does, in this instance we are talking about joint activities in areas which are the prerogative of sovereign states.

All the parties which signed the document recognized de facto that both sides have powers as subjects of international law. This position was in essence confirmed in the document of 16 November 1994 presented by the United Nations, the CSCE, and the Russian Federation in Geneva and adopted by the sides as the basis for further negotiations.

Thus the treaty of 16 December 1921, the statement of 4 April 1994, and the draft of 16 November 1994, whose provisions were confirmed by the 1994 Abkhaz Constitution, are, as Mr. Pastukhov is attempting to make out, the legal basis for the Abkhaz side's position.

Mr. Pastukhov's final argument is the claim that the Abkhaz side does not recognize the UN resolutions stipulating Georgia's territorial integrity. This does not correspond to the facts. We do not dispute the point about territorial integrity and are prepared to live in a single state.

At the same time, the argument that it is not possible to maintain territorial integrity when components are legal entities on an equal footing is groundless from a legal point of view. At present there are quite a few states whose components enjoy equal rights but whose territories retain their integrity and are united.

As far as questions of the state system are concerned, they are resolved by the parties to the conflict, and attempts by the United Nations or anybody else to interfere in this are a violation of the norms of international law, of which Mr. Pastukhov is trying to appear as a champion.

The above facts plus the closing of the border on the Psou River give grounds for doubting the objectivity of specific officials who have an influence on the formulation of state policy and mediate in the conflict's settlement. If one of the parties has no trust in them, it is difficult for them to act in the role of mediator.

Envoy Urges Adherence to '91 Georgian Border

MM2405102095 Moscow ROSSIYSKAYA GAZETA in Russian 23 May 95 First Edition p 14

[Interview with Feliks Kovalev, Russian Federation Foreign Ministry special envoy, by Yevgeniya Vasilyeva; date, place not given: "Georgia Within Its Borders. That Is the Creed of Feliks Kovalev, Russian Federation Foreign Ministry Special Envoy"]

[FBIS Translated Text] [Vasilyeva] The situation regarding a Georgian-Abkhaz settlement is deadlocked. What specifically is preventing the problem from being resolved?

[Kovalev] In the course of consultations and talks between the Georgian and Abkhaz sides it has, in the event, been possible for the sides to reach an important understanding of the need to live in a single state within Georgia's borders as of 21 December 1991. The sides have confirmed their commitments not to permit a resumption of the armed confrontation. They have expressed readiness to consider Russia the guarantor of any possible accords. However, profound differences still exist between the sides.

Nonetheless, Russia's mediation in the course of the talks made it possible to arrive at a formula whereby Georgia will be a federation — apparently an asymmetrical federation — within which Abkhazia would be granted, with Russia's guarantee, the status of a federation component with the broadest rights. In a sense the rights that Abkhazia would be guaranteed would be broader than the rights enjoyed by the republics that are components of the Russian Federation.

Unfortunately, the Abkhaz leadership is rejecting this solution.

The Abkhaz side advocates the creation of a "union state" which it interprets as an interstate, confederative union concluded by two equal persons in international law — the Republic of Georgia and the "Republic of Abkhazia."

The Republic of Georgia, Russia, and the international community as a whole are thereby faced with the need to conduct talks on the basis of recognition of Abkhazia's self-proclaimed independence and consequently the abandonment of the principle of the territorial integrity of the Republic of Georgia. For obvious reasons, that solution is not acceptable either to the Georgian side or to the intermediaries, Russia included.

[Vasilyeva] What is the basis for the Abkhaz side's claims to recognition of its status as an independent state?

[Kovalev] First and foremost, apparently, the 26 November 1994 act of the "parliament of the Republic of Abkhazia," which adopted a constitution under which Abkhazia is a person in international law and a sovereign state "established on the basis of the people's right to free self-determination."

Yet in the modern world questions of the proclamation of independence involving secession from a state that is recognized by the international community are not resolved by way of private decrees by the deputies of a parliament, whatever its legitimacy, but on the basis of accords and through a free expression of the will of the entire population under impartial international supervision.

The Abkhaz leadership also seeks to justify claims to the recognition of Abkhazia's independence by citing certain clauses in documents adopted during the talks that have been going on for more than 18 months with Russia's mediation under UN auspices and with the participation of OSCE [Organization for Security and Cooperation in Europe] representatives. Thus, reference is frequently made to the 4 April 1994 Political Statement signed in Moscow in the presence of UN Secretary General B. Butrus-Ghali and Russian Foreign Minister A. Kozyrev. One point in that statement speaks of the future formulation of proposals on the restoration of state-legal relations between the sides. Abkhaz representatives conclude from this that the world community recognizes Abkhazia's equal status in law and its separate existence from Georgia, with which Abkhazia is apparently not linked by state-legal relations at present.

There is no mention of any "equal status in law" for Abkhazia in this or other documents adopted at the talks. They do not even contain expressions such as "Georgia and Abkhazia," which would make it possible to speak about equality between them. It is true that there is recognition of the Abkhaz right as a "party to conflict," equal in that capacity with the "Georgian party to conflict." Recognition as a party to conflict does not confer any grounds to be considered an "equal person in international law." International law recognizes a strictly limited legal status for a "party to conflict," "insurgent party," or "warring party."

The de facto situation created by military operations does not confer the right to claim that Abkhazia has become de jure a separate state from Georgia.

That same Political Statement of 4 April 1994 notes a common understanding between the sides concerning powers for joint activity in a number of spheres, including such spheres as foreign policy and the border and customs services. The Abkhaz side interprets these provisions as meaning that the world community recognizes Abkhazia's "right to delegate" for future joint activity the powers in the sphere of foreign policy etc. that belong only to independent persons in international law, and thus recognizes its independent international legal status.

Arguments like that do not stand up to criticism.

An accord between the parties to a conflict on the spheres in which "joint activity" will take place does not in any way presuppose that the Abkhaz side already has competence in such spheres. The 4 April 1994 statement does not contain a single word about the Abkhaz side "delegating" powers that it already possesses. There were consultations only on the "delimitation of powers" within the framework of the proposed state structure, and an understanding was reached on the question of what powers would be exercised jointly. It was not so much a question of the future state formation receiving any powers from Abkhazia, as of sovereign Georgia agreeing to admit Abkhazia in future, on the attainment of a "final resolution of the conflict," to joint activity in spheres to which Abkhazia did not in the past, as an autonomous formation, have access.

The following point, however, is decisive: The 4 April 1994 Political Statement and the other documents adopted during the talks under UN auspices always contain references to numerous UN Security Council resolutions on the Georgian-Abkhaz settlement as being the basis of the entire negotiating process. It is well known that these resolutions unreservedly reaffirm Georgia's territorial integrity, while all references to Abkhazia contain the stipulation that it is part of the Republic of Georgia.

There is another important point too: The Russian Federation and other states, in recognizing the independence of the Republic of Georgia in 1992, proceeded on the basis that this state exists within the 21 December 1991 borders. The United Nations, on admitting the independent Republic of Georgia to the ranks of its members, also had in mind the state within the 21 December 1991 borders.

[Vasilyeva] But surely the people of Abkhazia are entitled to insist on secession from Georgia by way of exercising their right to self-determination?

[Kovalev] Unilateral secession by a part of a recognized state is unacceptable from the viewpoint of present-day international law.

In accordance with the Declaration on the Principles of International Law adopted by the United Nations in 1970 and the CSCE Final Act of 1975, every people has the right freely to determine its own political status and to pursue its own economic, social, and cultural development. However, that right cannot be interpreted as sanctioning actions leading to the dismemberment or violation of the territorial integrity or political unity of an existing sovereign state. Recognized state borders, including the borders of the Republic of Georgia, may be changed in accordance with international law by peaceful means and by agreement.

Naturally the people of Abkhazia are entitled to uphold their own long-established statehood, which is confirmed by the constitutional norms of recent decades, and to enjoy Russia's support in this respect. However, until such time as an agreement is concluded otherwise, this can only be statehood within the framework of a single state with Georgia.

At the same time the draft settlements proposed by Russia and accepted by Georgia's representatives establish a fairly small list of powers that the federal organs of power would enjoy in a unified state. In all other spheres, exceptional, sovereign rights are reserved for Abkhazia. Basically the drafts envisage granting Abkhazia a veto on decisions that could be detrimental to its interests.

Moreover, Abkhazia is granted representation in the highest organs of executive power of the unified federal state.

It is important that Abkhazia is granted rights to the exercise of certain powers in the foreign policy sphere and — something particularly relevant to it and to its relations with Russia — in the sphere of foreign economic relations.

Finally, the rights granted to Abkhazia will be guaranteed by the full authority of the Russian Federation.

A political settlement would create the legal foundations for Russia to participate actively in the development of bilateral economic relations with Abkhazia. From the legal viewpoint there is no such possibility at present, since any step of ours to resolve Abkhazia's economic problems is quite rightly regarded by Georgia and the world community as helping separatists.

Diplomat on Partnership Pact With Turkmenistan

LD2305190195 Moscow INTERFAX in English 1842 GMT 23 May 95

[From the "Diplomatic Panorama" feature: Reports by Aleksandr Korzun, Igor Porshnev, Yevgeniy Terekhov]

[FBIS Transcribed Text] MOSCOW, May 23 (Interfax) — Planned "strategic" partnership between Russia and Turkmenistan does not mean that the two former Soviet republics are going to form a confederation, a senior Russian diplomat said on Tuesday [23 May].

The two countries signed an agreement on strategic partnership several days ago, during an official visit to Moscow by Turkmen President Saparmurad Niyazov.

Commenting on Russian-Turkmen relations, the diplomat told Interfax: "There are no problems in them that hamper the normal development of bilateral links."

"Of course, some issues do come up from time to time, but they are resolved in a constructive spirit," he added.

"Turkmenistan makes far from full use of the potential of integration within the framework of the Commonwealth of Independent States, something the Russian Federation would undoubtedly be interested in," the diplomat continued. "The Commonwealth's policy of (effecting) multiform integration of its member states offers quite good prospects for this and gives Turkmenistan an opportunity to find an optimum formula for getting involved in integration processes."

"The political system that exists in Turkmenistan has no effect on the relations of that republic with the Russian Federation or other CIS countries," the diplomat said. "Such matters are the exclusive competence and the sovereign affair of Turkmenistan and its people."

Political Issues

Yeltsin Chairs Session of Security Council

LD2405101295 Moscow ITAR-TASS World Service in Russian 0920 GMT 24 May 95

[By ITAR-TASS correspondent]

[FBIS Translated Text] Moscow, 24 May — Under the chairmanship of Boris Yeltsin, president of the Russian Federation, a session of the Russian Federation Security Council was held in the Kremlin today.

Examining the progress in implementing state decisions in support of the Cossacks, the Security Council noted the unjustified sluggishness in this regard and in setting up the appropriate legal framework, says an announcement by the press service of the president of the Russian Federation received by ITAR-TASS. Special attention was paid to the need to overcome negative tendencies which have been noted in the Cossack movement. The Security Council outlined measures to work out and implement a uniform state policy with regard to the Cossacks of Russia.

The session has begun to examine the Russian Federation's policy with regard to all-European security. The president of the Russian Federation issued specific instructions on the questions examined.

Yeltsin, Chernomyrdin Discuss Chechnya, G-7

LD2405132795 Moscow INTERFAX in English 0830 GMT 24 May 95

[FBIS Transcribed Text] MOSCOW, May 23 (Interfax) — A reliable source in the Kremlin told Interfax that Russian President Boris Yeltsin and Prime Minister Viktor Chernomyrdin discussed, among other issues, a possible political settlement of the crisis in Chechnya at their working meeting Tuesday. The source said several options for the restoration of constitutional order in Chechnya, from talks to the use of force, were discussed.

Other issues included the problems faced by small businesses and the development of the Russian oil and gas industrial complex.

According to the source, Yeltsin and Chernomyrdin also discussed the Russian stand on the G7 summit to be held in Halifax, Canada, in June.

The prime minister told the president about the talks he had during his recent visit to Bulgaria.

The presidential press office said that Yeltsin and Chernomyrdin exchanged opinions on personnel policy.

Yeltsin Greets Congress of Russian Private Banks

LD2405094195 Moscow ITAR-TASS in English 0906 GMT 24 May 95

[FBIS Transcribed Text] MOSCOW May 24 (Itar-Tass) — Russian President Boris Yeltsin greeted the congress of the Association of Russian banks Wednesday saying they play an important role in strengthening the national currency, but urging them to offer better guarantees to investors.

The emergence of "commercial banks is the direct result of deep changes in our society. They play an important role in strengthening the rouble, in resanating [as received] and developing the Russian economy", the President said in his message to the congress.

He added, however, that a major task of the banks was to enhance their reliability. "Your clients, especially ordinary people, should have better guarantees that their deposits would be preserved and increased", Yeltsin said.

Several private banks have gone bankrupt in Russia of late and the major recent scandal was caused by the "Chara" bank.

The President called to ensure a stable banking system which would be able to cope with such tasks as privatisation of state property, investment programmes, the attraction of foreign investments, the access to world financial and economic markets. "These issues are extremely important for the strengthening of the social stability and economic development of the country", Yeltsin said.

According to Sergey Yegorov, the chairman of the Association of Russian banks, there is a total of 1,030 banks in Russia which maintain 3,676 offices and subsidiaries and the amount of paid authorised capital totals 4.1 trillion roubles (nearly 1 billion USD).

Yeltsin Pledges Increased Budget for Science

LD2305152195 Moscow ITAR-TASS in English 1454 GMT 23 May 95

[By Andrey Shtorkh]

[FBIS Transcribed Text] MOSCOW, May 23 (Itar-Tass) — Russia will not stop budget financing of science. The more so, the government will increase it to at least three per cent of the budget spending in the 1996 draft budget. The allocations will continue to grow, Russian President Boris Yeltsin said here today at the first meeting of the presidential Council for Scientific-Technical Policy. The meeting was attended by Prime Minister Viktor Chernomyrdin, President of the Russian Academy of

Sciences Yuriy Osipov and Russian academicians and scientists.

"Problems of science are problems of whole Russian society, and they must be settled with a common effort," said the state head. Speaking of the most acute problems, the President noted insufficient budget financing, the decreased demand for scientific-technical products, difficulties in structural transformations in the scientific sphere, the reduced research and outflow of scientific personnel.

The key task of today is to "overcome the crisis and achieve the development of the scientific-technical sphere," said Boris Yeltsin. He called for the elaboration of a serious doctrine to "offer a new image of science and envisage strategic areas of development of science, including that humanitarian." The doctrine should be the core of essential state decisions in this sphere.

Yeltsin called attention to the problem of scientific-technical personnel and the lowered prestige of scientists in society. While developing scientific cooperation with foreign states, one should prevent any damage to Russian national interests, he stressed.

The President instructed the Prime Minister to keep financing of science under strict control. "The situation must be changed," he noted. The main way to use budget money for science is the support the priority spheres and technologies. Their list and a list of "critical technologies" should be made to enjoy 'most of the allocations. The President called for revising state and federal programs and making a full register of Russian scientific establishments.

The meeting discussed a report of the President of the Russian Academy of Sciences and approved a plan of the Council work for 1995-1996.

Yeltsin Decrees 9 May as Annual Public Holiday

MM2405082895 Moscow KRASNAYA ZVEZDA in Russian 23 May 95 p 1

[Own Information report: "The State Is the Main Custodian of the Memory of the War"]

[FBIS Translated Text] On 19 May Russian President Boris Yeltsin signed the law "On Perpetuating the Soviet People's Victory in the 1941-1945 Great Patriotic War," which was adopted by the State Duma 19 April.

According to the law 9 May is declared a national holiday — Victory Day. It is a nonworking day and is annually marked by a military parade and an artillery salute.

Edict Strips State Administration of Authority

MK2405115095 Moscow MOSKOVSKIY KOMSOMOLETS in Russian 24 May 95 p 1

[Unattributed report: "The Once Omnipotent Kremlin Service Elbowed Aside From Yeltsin"]

[FBIS Translated Text] Boris Yeltsin's own State Legal Administration [SLA] has been stripped of its last staff perks by presidential edict.

From the SLA's inception, its chiefs, the first of whom was Sergey Shakhray, have had special powers and were subordinate directly to the president. This special status is now a thing of the past. For instance, while formerly an SLA chief was authorized to appoint department chiefs by his orders, from now on all administration staffers will be appointed or dismissed only by orders of the president's chief of staff, even if at the SLA chief's recommendation. Moreover, under the edict signed by Yeltsin, the SLA chief may no longer make decisions on matters of assigning employees of other ministries and agencies to his administration.

The edict appears to have marked the last stage of turning the once formidable Kremlin structure into an ordinary unit of the presidential staff. Earlier, an entire SLA department was turned over to the president's Commission on Citizenship Matters. A sector supervising seven Russian special services has recently been effectively merged with a sector dealing with matters of law and order. There are plans to hand yet another department over to the Justice Ministry.

Yeltsin Edict on Judicial Reform Assessed

MK2405105095 Moscow SEGODNYA in Russian 24 May 95 p 2

[Report by Aleksey Kirpichnikov in the "Progress" column: "Boris Yeltsin Inherits Yet Another Cause of Tsar-Liberator. An Edict Has Been Signed on Accelerating Judicial Reform"]

[FBIS Translated Text] According to the head of state's press service, Boris Yeltsin has signed an edict on urgent measures to intensify judicial reform. The edict contains a directive to the government: Within two months, jointly with the Council on Judicial Reform under the president and the Council of Judges, to define judges' normal workloads and norms of material and technical provision of judicial power bodies, after which corresponding budget expenditures are to be calculated. The executive power bodies at the local level are to resolve the "housing" problem of the courts before October.

Therefore the audience given by the president 23 May to Sergey Pashin, head of the State Legal Administration, was followed up by a signed document with amazing promptness. Pashin, known as the author of the original law on the Constitutional Court and the law on trial by jury, is probably the leading mastermind behind judicial reform in Russia. According to his statement made some time ago to SEGODNYA's correspondent, the draft law On Urgent Measures to Intensify Judicial Reform, presented to the head of state, was aimed at getting judicial reform off the ground. Apart from financing judicial bodies — not according to the "what is left over" principle, as part of the law enforcement bodies budget heading (the Finance Ministry provides approximately 60 percent of the funds envisioned in the budget), but according to the norm, the draft edict contained a reference to the president's directive of three years ago on transferring the premises of CPSU district committees to the local courts.

The document was evaluated by the Russian Government for two months. A number of provisions — on unconditional judicial oversight of detention and new procedures for the mandatory financing of courts and judges (not to mention the distribution of raykom buildings) — aroused the natural opposition of the Prosecutor's Office, the Ministry of Internal Affairs, the Finance Ministry, and the local authorities.

Even so the edict was signed. So far SEGODNYA does not have the text of the document and cannot judge as to how far it corresponds to the original version prepared by Pashin and Mikhail Krasnov, the president's legal aide. It is hardly likely that all the authors' recommendations, which inevitably limit the functions of the Justice Ministry, the Ministry of Internal Affairs, and the Prosecutor's Office, and so forth, were taken into account: There are also other authors' collectives. Say, a law on the General Prosecutor's Office, recently adopted by the State Duma, was developed by the General Prosecutor's Office itself; the law on the Supreme Court, which is now on the agenda, is also its creation, and so forth.

And still, in the very near future judicial reform should be expected to follow an extensive linear development: This at least manifests itself in the expansion as of 1 January 1996 of the list of Federation subjects where jury courts will be introduced. Moreover, there is a danger that some territories will announce their readiness to adopt this form of trial owing to the subsequent financial exemptions and concessions to legal bodies — in spite of the fact that there are no prepared judicial cadres, corresponding premises, or guard services. Not to mention the level of the citizens' legal awareness, the majority of whom regard the court not as a contention-based body but one meting out punishment in the name of the state.

Nonetheless the fact that the president has signed the edict is significant. The exponents of judicial reform have repeatedly complained that w?ihout political support their efforts will be futile: Reform undermines too broad a layer of ministerial-prosecutorial and economic interests. So far it is difficult to judge: Maybe the final text has been softened with amendments by noninterested departments. Or maybe Boris Yeltsin remembered Aleksandr II and prepared, for the second stage of his rule, along with liberalization from a serfdom-based economy, also judicial reform. Especially considering history which shows that, unlike socioeconomic transformations, it had incontestable success and popular support. And also — it should be mentioned in passing — the jurors' acquittal of Vera Zasulich, who wounded Governor Fedor Trepov [in the famous 19th century case].

Baburin on Elections, National Union Platform

MM2305161995 Moscow PRAVDA in Russian
20 May 95 p 1

[Interview with Sergey Baburin by Boris Slavin under the "Through the Eyes of a Political Leader" rubric; place and date not given: "Sergey Baburin: 'To Unite National and Soviet Values'" — first paragraph is introduction]

[FBIS Translated Text] How do political leaders view the present election campaign? PRAVDA is planning to give a series of answers to this question. Today we ask the famous politician Sergey Baburin to speak.

[Slavin] Sergey Nikolayevich, it can be noted that the election campaign of various political parties and movements has started. What is the Russian National Union, which you head, bringing to the elections?

[Baburin] In March we held the Fourth Russian National Union Congress. This political party, which has grown out of a sociopolitical movement, has only existed for a year, although we were forming the Russian National Union in the fall of 1991 following the ban on the CPSU, and it has brought together people who occupying traditionalist as well as socialist stances.

The Russian National Union's Fourth Congress adopted the party's platform, which is called "Toward Russia's Great Future." The Russian National Union intends to participate in the 1995 elections, running as an autonomous party list, although I do not rule out that a decision to unite the Russian National Union with patriotic or left-wing organizations in a single electoral bloc will be made next month. It is already clear that we will not have this kind of unification with our closest allies, because the Communist Party of the Russian Federation has decided stay on its own, and so has the Agrarian Party. It remains to be regretted that the anticipation of triumphing alone has prevailed over the leaders of many opposition forces. And, as far as I know, there is no plan to review this decision. I hope that the result of the December 1995 elections will force the opposition to nevertheless meet the 1996 presidential elections with a single candidate.

[Slavin] What is your attitude toward the creation of the "Russia Is Our Home" bloc and other analogous blocs?

[Baburin] As far as today's situation is concerned, I consider it to be a dangerous enough illusion that retaining the present government may be beneficial for professional work in the economic sphere. The notorious bloc headed by Chernomyrdin and the attempt to create an Agrarian bloc either headed by or with the participation of Rybkin both constitute the reaction of the old nomenklatura. Only the party cards of the officials are changing, but their power is maintained. The illusion that Chernomyrdin's bloc will provide something new, something different in terms of professionalism in management will, I believe, be fairly quickly shattered. I hope that the bosses' party will not have any chance of serious representation in the new parliament.

As for the Rybkin bloc that Yeltsin was talking about, it was stillborn. And the new one, which the Agrarians have created with Rybkin's participation, will survive until the elections, I think, but will be subjected to serious trials over the progovernment position occupied for the past two years by the Agrarian Party, and for their support of both the budget and the government on most issues. Let us admit that the continuation of today's socioeconomic line is partially on the conscience of the Agrarian Party. Today's government relies on several factions in the Duma: on Russia's Choice, the Liberal Democratic Party of Russia, the Agrarian Party, and PRES. I think the electorate will inevitably draw its conclusions from this.

[Slavin] So who will you collaborate with specifically?

[Baburin] It is difficult to say at the moment. But you doubtless know that Stanislav Terekhov, chairman of the Union of Officers, has become a leader of the Russian National Union, and organizational work is in progress to unite with a number of other patriotic organizations.

[Slavin] Will you collaborate with Rutskoy and Zhirinovskiy: After all, they have a big chance of becoming leaders at the elections, don't they?

[Baburin] They have a chance, but I would not like to help increase it.

[Slavin] Don't you think that they might cancel each other out by essentially fighting over the same electorate?

[Baburin] I don't think so. But let us wait and see what happens in reality. After all, at the moment it is unclear who and which movements will structurally survive until the elections.

[Slavin] What is your prediction as regards the presidential elections: Will they take place, and if they do, who will become president of Russia?

[Baburin] I believe the presidential elections will take place, and the force providing the incentive here is the U.S. presidential election in the fall of 1996. Because we here are discerning a situation whereby Mr. Clinton cannot become President again if he allows "democracy" in Russia to be trampled. I was moved when he patronizingly stated that Americans favor the presidential and parliamentary elections in Russia taking place on schedule. I stated without hesitation that a State Duma decision must be prepared to the effect that the Russian Federation does not object to the elections of the U.S. President being held at the time established by law....

[Slavin] I can see the funny side, but nevertheless, whom do you see as Russian presidential candidate?

[Baburin] I find this question so difficult to answer that I myself would like to answer it after December 1995.

[Slavin] What main ideals will guide your movement at the upcoming elections?

[Baburin] Our movement believes that the organic unification of the country's national interests with the values of the Soviet period as well as the practical achievements of the Soviet Union constitutes the only correct path for reviving our Fatherland and state in the place of the Soviet Union.

'Women of Russia' Bloc To Remain Independent

LD2305171595 Moscow ITAR-TASS in English 1705 GMT 23 May 95

[FBIS Transcribed Text] MOSCOW, May 23 (Itar-Tass) — The "Women of Russia" parliamentary bloc had declared that they will act independently in the forthcoming elections without entering into an alliance with other political forces. The "Women of Russia" movement was created by the Union of Russian women, the Union of the women of the Navy and the association of Russia's women- entrepreneurs. In a statement the "Women of Russia" declared that their position does not mean the isolation of the "Women of Russia" political movement from other political forces in the election campaign." In one-mandate constituencies and in the elections to regional and local bodies of power we shall vote for women who support the programme of the "Women of Russia" political movement," the statement said.

The "Women of Russia" also expressed the readiness when nominating candidates from one-mandate constituencies to cooperate with all political forces whose positions will be close enough to the "Women of Russia" bloc.

Media Issues

NEZAVISIMAYA GAZETA Suspends Publication

MK2405104295 Moscow NEZAVISIMAYA GAZETA in Russian 24 May 95 p 1

[Article by Vitaliy Tretyakov, chief editor, under the "To Friends" rubric: "Ordered To Survive. If Not NEZAVISIMAYA, Who Then?"]

[FBIS Translated Text] What has been long anticipated by some people and obstinately resisted by others has finally happened: NEZAVISIMAYA GAZETA [NG] has had to suspend its publication. The reasons are quite trivial — lack of funds and the existence of debts. The main aim now, however, is not to resume publication, since the four-page NG, or the NG whose staffers receive the salary they do today (not more than 200,000 rubles a month, including authors fees) [about $40], would not be able again to become the same kind of NEZAVISIMAYA GAZETA to which its readers have become accustomed and which has enjoyed their respect. Yes, certainly, NG has still been placed on the table of every Moscow politician and every official who deals with politics. Yes, like before, NG has been one of the main sources of information about Russia's life and, above all, politics for foreign diplomats, journalists, and political scientists. Yes, the newspaper has been undersupplied even in Moscow — it has been difficult to buy it in the capital and impossible to get in many other Russian cities, although demand has been great. Expanding its dissemination throughout the country means money to be paid by the editorial board. Reducing subscription fees means money to be paid by the editorial board. Paying authors proper fees means money to be paid by the editorial board.

We had to save on everything; in reality, however, we could economize only on our own salaries and travel expenses. But there can be no newspaper without numerous and regular business trips by journalists. And today trips to many areas for a journalist are impossible, unless the editorial board is able to insure him. And so forth....

Many people, for some reason, continue to believe that subscription fees and the retail sale of printed copies bring profit for newspapers — although small, but profit. In reality, this has been not true for a long time now. Subscriptions and retail sales have yielded only losses, which could be covered either at the expense of profit from advertising (for the gutter press and widely circulated newspapers), or by funds provided by external sources, outside the editorial board.

NG is a nonparty newspaper, receiving subsidies neither from the central nor from the Moscow government; it does not belong to anyone who could finance its publication. There was a time when many periodicals used to live like that, but now NG is probably the only daily newspaper in Moscow having no constant external sources to replenish its budget.

Certainly, in the course of the past 18 months we have been periodically receiving some assistance — gratuitous and entailing no political or professional commitments — from several banks. We would not have been able to survive without this assistance, but, first, this could not solve all of our problems; and, second, the newspaper could not be developed and upgraded on a regular basis, since this assistance has been rendered only at especially critical times.

One could dwell long on a detailed description of what and how it was, but this is not the main thing. The main thing is what will be next.

All capabilities of the newspaper's existence on its own financial basis have been exhausted. Having committed some mistakes, we nevertheless have lived through four and a half years, not depending financially and politically on anyone — much longer than others. Now the time has come to make a choice. The newspaper is either to die or to find sources of financing that would not alter its professional and, a priori (in accordance with its name and essence), political image.

I have discussed this problem many times with those of the newspaper's friends who deal with politics. All of them said: Do whatever you can, but save NG. Russia needs it. Nicely said. And we have decided to test the validity of this hypothesis.

If Russia indeed needs NEZAVISIMAYA GAZETA, the latter will not die. If it dies, then it is not needed; and whether this is good or bad is another question.

There is one problem with NG, which is nonexistent for other newspapers. I have discussed the problem of investments in NG many times — most commonly not on my own initiative. But even those who demand the controlling block of shares quickly come to a logical conclusion: It makes no sense to control NG financially, since financial control also implies a political one; the latter, however, will immediately turn NG into an ordinary party newspaper — one of a legion. Why, then, invest money into a newspaper which one would not be able to make work for himself, in a direct or indirect way? And to make it work for himself is impossible, since then this would be no NG, but something different.... A vicious circle.

So, to break this circle is possible only if those, who — in addition to editorial board staffers and numerous authors — think that NG must live on, wish to do so. It is to these people that we appeal, in the firm belief that we will be supported by many. The question is, however, whether their number will be sufficient....

The editorial board has some definite plans as to not only how to overcome the financial crisis, but also how to develop NG, by the end of 1996, into a system of periodicals (clustering around the main one — NG itself), which could make a profit to cover losses from publishing NG. One such periodical would be NEZAVISIMOYE VOYENNOYE OBOZRENIYE [Independent Military Review], but it might be more reasonable to talk about this in more detail with those who would choose to invest in NG — and when they do so — in order to create a classic open-ended joint-stock company. The total sum that has to be collected amounts to $10 million (to cover publication costs in 1995 and 1996, so as to achieve self-repayment by the end of 1996). Calculations for 1995 are given below.

Stage 1. To redeem debts; to resume the newspaper's publication in normal volume (eight pages); and to raise salaries of NG staffers up to the minimum required level. The necessary sum is 2 billion rubles.

Stage 2. To reestablish qualitative and professional standards of NG as regards its circulation (up to 100,000 to 200,000 copies), volume, and originality of information, versatility of rubrics and topics; to publish NEZAVISIMOYE VOYENNOYE OBOZRENIYE monthly; and to expand activities of NG's information agency NEGA, in preparation for a large-scale parliamentary election campaign. The deadline is 1 September 1995. The necessary sum is 4 billion rubles.

Stage 3. To ensure normal functioning of NG by the end of 1995, including participation in the coverage of the election campaign and the State Duma election, uncontrolled by any party or state bodies; to subsidize subscription to NG for the first half of 1996, so that its cost would not exceed that of other similar periodicals; and to publish NEZAVISIMOYE VOYENNOYE OBOZRENIYE on a weekly basis. This is to be accomplished by September-December 1995. The necessary sum is 12 billion rubles.

All of these sums are great, and we, of course, cannot count on money flowing in rivers — although it is possible that the critical level of 5 to 6 billion rubles (amounting to slightly over $1 million) could be surmounted quickly. If this is done within the next few weeks (and we shall be able to judge by the application forms [for NG shares, accompanying the article], which we kindly ask to send to the editorial board), our further activities would be as follows:

— despite the suspension in publishing NG, the editorial board will continue to work, specifically in the information agency (NEGA) mode;

— as soon as applications amounting to the sum permitting to create an open-ended joint-stock company are collected, we shall immediately resume publishing NG and will renew all subscriptions, extending them until the end of the year;

— if a joint-stock company is made using the proposed scheme, any natural or legal person would be able to purchase any number of shares, but accounting for not more than 20 percent of the authorized capital (of which the editorial board will retain 30 percent). Shareholders will be offered privileges in the form of free subscription, and so forth.

We are ready to give any additional information on the phone (925-3180, 928-4850; on workdays from 1100 to 1700).

Please keep in mind that other variants of overcoming the crisis are also being considered now.

Yes or No? Four and a half years of NG's life and, most importantly, the readers' willpower are to give an answer to this question. Probably this is not the most vital question in Russia's life today, but, anyway, the answer would mean a lot.

We are not saying goodbye.... But shall we meet again? Prince Hamlet seems to have said something in this regard. He did not read NG only because it was not published in his time. In addition, he did not speak Russian. And the parliamentary and presidential elections were not hanging over him, like a political sword of Damocles, either.

See you again!

P.S. We ask authors whose materials cannot be published in the near future kindly to excuse us.

Military, Nuclear & Space Issues

Shumeyko Lauds Army's Role as 'School'

MM2305132895 Moscow KRASNAYA ZVEZDA in Russian 20 May 95 p 1

[Interview with Vladimir Shumeyko, chairman of the Federation Council, by Petr Karapetyan; place and date not given: "The Army Is the School That Every Man Must Without Fail Go Through. Such Is the Opinion of Vladimir Shumeyko, Chairman of the Russian Federal Assembly Federation Council, With Whom Our Correspondent Talks"]

[FBIS Translated Text] [Karapetyan] Vladimir Filippovich, the events in Chechnya have shown just how dangerous separatism is. And this should have brought society together. But what has happened is the reverse. Anti-Army hysteria is growing. The use of military force even in extreme circumstances is condemned...

[Shumeyko] You can blame whoever you like for what is happening in Chechnya right now, but not the Army. Someone said that war is when the military are forced to unpick with their teeth knots tied by the tongues of politicians. That is indeed the case. The Army has acted and continues to act in Chechnya appropriately to the situation. It is not true that it is at war with the people. It is opposed by well-trained and well-prepared gunmen. And our Army has displayed its best side in Chechnya. It is well trained and well prepared for conducting combat operations in difficult conditions. To claim the opposite is blatant political speculation.

[Karapetyan] Do you believe in the possibility of a wide-scale guerrilla war in Chechnya?

[Shumeyko] No. A guerrilla war must definitely have a political goal. The bandits have no such aim. After free, democratic elections in Chechnya the very idea of opposing the federal authorities will disappear.

[Karapetyan] In any normal state the Army is honored and respected. But in our country open persecution of the Army has been under way for many a year now.

[Shumeyko] Today all political parties and movements without exception are opposed to the government and the president, and in opposing them they use the Army as a kind of sparring partner that is very convenient for achieving their political ends. A device that is unworthy of a politician and indecent from a human point of view, but one that worked 10 years ago and is working today. Day after day, with a stubbornness worthy of a far better application, the idea is drummed into people's consciousness that the Army is a black hole, that however much money you give the generals, it is still not enough for them, that if we reduce the size of the Army everything will go swimmingly, and so forth. When sensible people objected that a wholesale reduction of the Army cannot be allowed because the Army is the basis of national security, they try another tack. In the Army, they say, they kill our children, cripple their souls, the units and subunits are full of endless bullying and thuggery, and so on in the same vein. And when the federal forces went into Chechnya, you see what started happening. Mothers went to combat positions to bring away their sons. I understand maternal feelings, but...when has such a thing been seen in the Russian Army? In what country's army is such a thing possible?

[Karapetyan] Probably these questions should not be put to the military, but to those who reduced the Army to such a state.

[Shumeyko] Agreed. Many of the questions which society puts to the Army it should ask first and foremost of itself. You will recall how much talk there was over the withdrawal of Russian troops from Germany. The military are up to their necks in corruption, the generals must be made to answer for this, it was said. But after all, in no civilized country are the military forced to engage in commerce. It is not their job! But our military were forced to do so. I saw a paper that was circulated at one time by the president's control administration. It notes, among other things, that the territory of one unit is overstocked with unsold equipment, while in such-and-such a specific instance property was wrongly evaluated, sold in the wrong way....

Society should not have put the Army in such a humiliating position. The sale of property should be handled by civilians specially appointed by the government. When the Group of Russian Forces left Germany in double-quick time, exerting incredible efforts in the process, it was accused of having done something incorrectly somewhere....

There are other examples too. They say that 18-year-old soldiers should not have been sent to Chechnya. Just kids? I agree, they are just kids. But after all, it was in many ways precisely under the pressure of today's critics of the Army that in 1993 the draft age was left unaltered at 18 years, although other options were proposed. What stopped us from fixing the draft age at 19, or even 21? Alas. We have still to learn how to moderate our own immediate political interests in favor of the interests of the state.

[Karapetyan] You will recall how the Law "On Amendments and Additions to the Russian Federation Law 'On Military Duty and Military Service'" was received. How many opponents it had, what opposition the law met with in the State Duma, how some figures threatened student pickets and acts of disobedience, what a furor there was over a decision so essential to the Army....

[Shumeyko] Let me say this. Here am I, a man with higher education, a candidate of technical sciences, chairman of the Federation Council. I have three years and two months of basic service at a tank repair plant in the Group of Soviet Forces in Germany behind me. Was that time wasted? No. I went through a school that every man should go through. An institute, a period of scientific activity. It is a career — I do not know whether I would have had all this in my life if not for my service in the Army. Let's call this my answer to those who claim that the Army takes away the best years of a young man's life, those who are ready to "lie down in the path" of a law which concerns the Army draft.

[Karapetyan] A convincing example. But Vladimir Filippovich, the Army, you will agree, is entitled to expect more active support from the state. Indeed, the state organs of power should take an active part in shaping public opinion about the Army. But the authorities stay silent. Either they cannot be bothered with the Armed Forces, or they are too timid to raise their voices in their defense. But a world without wars remains what it always was — the "bright dream of mankind." Look how NATO is drawing as near as possible to our western borders. Incidentally, how do you view the idea of partnership with this bloc?

[Shumeyko] No one will manage to convince me that it is in Russia's interests to develop partnership with NATO. It is firmly lodged in our consciousness that NATO is a military-political bloc that was formed in a shattered, divided Europe and was directed against the Soviet Union. The possibility of cooperating with this organization is very hard to take. When the idea of partnership for peace arose last year, we had our joke about this — partnership for NATO. As we know, every joke contains a degree of truth.

NATO is a huge "office," as we say in Russia. It contains a large number of people who do not know what to do with themselves after the Cold War. And instead of dissolving, like the Warsaw Pact, they invent work for themselves — in this case they are offering an ephemeral partnership. We have quite enough bureaucrats of our own in Russia. If there is no Cold War today, no opposite poles, no longer two sociopolitical systems, why retain this huge organization? Moreover, in Europe there is the OSCE [Organization for Security and Cooperation in Europe], to which more and more is being entrusted. It can really influence internal conflicts in a state, which NATO cannot do in any shape or form. Federation Council deputies would not agree to the expansion of NATO. At least, the CIS countries and the Baltic states should never be admitted to NATO. There should be no obstacle on NATO's part to the proliferation of our military equipment and weapons which are destined for sale. But in our view, NATO is preventing our weapons from penetrating the international market. That is against Russia's interests.

There is also another, more global aspect. We do not believe that the United States is the only pole, the only leader in the world. Russia will have its own path, together with the former USSR republics. This union in a new form, a new shape, will emerge sooner or later. But no one will become the ally of a weak state.

[Karapetyan] One last question, Vladimir Filippovich. Election blocs are being actively set up in the country, and indeed, the election campaign can be said to have already begun. What are your plans?

[Shumeyko] I will not run for election to the State Duma. Not because I do not want to. As chairman of the Federation Council, I do not have the right, I cannot join election blocs. I can support these blocs or not support them emotionally, but as for me personally.... So there are no elections today in which I could participate. The presidential elections are a long way off — a whole year. My position has not changed. I continue to support President Yeltsin.

In order to become a presidential candidate, it is necessary to collect a million signatures. I will not be trying to do this, although I know that people are not writing off my candidacy.

[Karapetyan] Thank you for the interview.

19 Sentenced for Stealing Nuclear Materials

LD2505114595 Moscow ITAR-TASS in English 1105 GMT 24 May 95

[By Olga Semenova]

[FBIS Transcribed Text] MOSCOW May 24 (Itar-Tass) — Since the second half of 1991 19 Russians have been sentenced and 16 are under investigation for stealing nuclear materials, according to a high-ranking Security service official who, however, said the protection of nuclear objects in Russia is well-ensured and needs no international control.

Aleksey Pushkarenko, deputy head of the department for protection of strategic objects, told a news conference Wednesday that some of the stolen nuclear materials were aimed for smuggling out of Russia, but none of them could be used for the production of nuclear arms. "They were all power-engineering components", he said.

Pushkarenko stressed that there were no "stable criminal organisations engaged in stealing and selling nuclear materials" in Russia.

Despite the reported cases, Pushkarenko insists that "Russian nuclear objects are reliably guarded and there are no grounds for imposing international control on them".

He said the media campaign regarding alleged Russian smuggling of radioactive materials abroad was launched so that "the world public gets an impression that Russia is uncapable of controlling the production, use and storage of nuclear weapons".

Disrupted Schedule Threatens Joint Space Mission

MM2405085495 Moscow Public Russian Television First Channel Network in Russian 1700 GMT 17 May 95

[From the "Vremya" newscast: Video report on 17 May space walk presented by Sergey Slipchenko, identified by caption, from Flight Control Center]

[FBIS Translated Text] [Announcer to camera] The Russian cosmonauts spent more time than planned outside the station, but...

[Slipchenko over footage of Flight Control Center] Unfortunately, Vladimir Dezhurov and Gennadiy Strekalov were unable to fulfill the entire space walk program. They collapsed the solar battery, disconnected it, moved it to a different location, and lashed it down. Thus the solar battery has not been redeployed. This creates problems for the further implementation of the program.

There have been occasions when power was in short supply at the station. You will remember, there was talk about air shortages and cold food aboard the station. This is happening again. The cargo ship and the Soyuz passenger craft systems have been disconnected from the station's power supply system. Many instruments have been switched off. "Mir" has lost one-sixth of its power supply for a period of five days. This has happened because the cosmonauts failed to connect up and deploy the solar battery during their 6.5- hour EVA.

[Cosmonaut Krikalev to camera against backdrop of Flight Control Center] The program was not completed. This work will have to be concluded during the next space walk. This has disrupted the schedule. People here at the Flight Control Center are having to work around the clock. Even those scheduled to work 12-hour shifts are working 15 to 20 hours.

[Slipchenko over Flight Control Center footage and pictures of cosmonaut working on arm outside station] We could be into a domino situation: Delays during the space walks may mean that preparations to receive the module may not be completed. If there is no module, there will be no docking with the U.S. shuttle. Does this mean that there will be no shuttle launch? The Russian-U.S. program is in jeopardy, but it is hoped that during Sunday/Monday night the cosmonauts will be able to complete the whole program. [video shows Flight Control Center footage, Krikalev interview, cosmonaut working on arm outside station]

Not To Affect Atlantis Launch

LD2305135095 Moscow Radiostantsiya Ekho Moskvy in Russian 0800 GMT 23 May 95

[FBIS Translated Excerpt] Recent changes to the Russian Mir Space Station program, which were brought about by unscheduled work in open space, will not affect the launch date for the American spacecraft Atlantis, which is due to dock with the Mir station for the first time.

[Unidentified correspondent] According to Viktor Blagov, flights deputy manager, 24 June, the proposed date for the launch of Atlantis, remains unchanged. However, the date may be changed if the module Spektr does not manage to dock with the Mir station on 1 June at the first attempt and Atlantis will be launched a few days later. Spectr can make three attempts to dock. The docking of Atlantis with Mir is scheduled for 26 June. [passage omitted]

Federal Assembly

Reaction, Comment on Yeltsin Election Law Veto

Duma Adjourns for Consultations

LD2405084095 Moscow ITAR-TASS in English 0727 GMT 24 May 95

[By Ivan Novikov]

[FBIS Transcribed Text] Moscow, May 24 (ITAR-TASS) — The State Duma adjourned today's plenary meeting as insistently proposed by a number of factions.

The factions asked for time-out to hold consultations concerning the setting up of a conciliatory commission to work out a coordinated reaction to the President's vetoing of the law on elections to the State Duma.

The proposal to form a conciliatory commission came from the President himself.

Consultations will also deal with the bill on the procedure of forming the Federation Council, an item on the State Duma's preliminary agenda for today.

The groups of communists, agrarians and liberal democrats in parliament had moved and the house carried a resolution mandating parliamentary groups to discuss first which draft should be considered by the whole house — the draft bill drawn up by the legislative committees of the two chambers and already approved in first reading or the alternative version submitted by Mikhail Mityukov.

Duma Fails To Override Veto

LD2405110195 Moscow ITAR-TASS in English 1042 GMT 24 May 95

[By Pavel Kuznetsov]

[FBIS Transcribed Text] Moscow May 24 (ITAR-TASS) — The Russian State Duma failed Wednesday to override the veto of President Boris Yeltsin on the law on elections to the lower house and requested the head of state to recall it himself.

At the same time, the Duma named its representatives to the conciliatory commission, proposed by Yeltsin, to look for a compromise.

The lower house lacked 60 votes to override the veto as 240 lawmakers voted for that while 300 were necessary.

The request to recall the veto was backed by 268 deputies, while 47 were against and four abstained.

Russian nationalist leader Vladimir Zhirinovskiy said the law was vetoed because "authorities fear to lose elections". He was echoed by communist leader Gennadiy Zyuganov who said the veto aimed "to ensure an absolute majority of votes at the elections to the 'party of power'". Member of the Democratic party of Russia Sergey Glazyev joined by saying that the veto was a "challenge to the democratic public".

Other democrats and centrists were reserved. Boris Zolotukhin from the Russia's Choice said his party is ready to look for a compromise. Anatoliy Zenkin from the Party of Russian Unity and Accord also urged a compromise and warned against triggering new tensions between authorities. Viktor Sheynis from Yavlinskiy's Yabloko bloc linked the veto to the creation of the election bloc headed by Prime Minister Viktor Chernomyrdin, while Yekaterina Lakhova from the Women of Russia called for an urgent meeting with the President.

After the final vote Speaker Ivan Rybkin instructed his deputy Mikhail Mityukov to immediately forward the request to recall the veto to the President.

Duma representatives to the conciliatory commission include members of all factions and groups of the lower house.

Medvedev on 'Reasonable Options'

LD2305134095 Moscow INTERFAX in English 1250 GMT 23 May 95

[FBIS Transcribed Text] Moscow, May 23 (INTERFAX) — The press secretary of the Russian president, Sergey Medvedev, has declared that the presidential veto on the Duma election law is not revolutionary: the process of law-making continues. At a Tuesday briefing in the Kremlin he stressed that the president has a good understanding of the situation and chose one of the offered reasonable options.

According to Medvedev, the president believes that the Duma stands only to lose if it is comprised in half by mini-parties.

The briefing was also attended by presidential aides Georgiy Satarov and Mikhail Krasnov.

Satarov said the president seeks a balance between Moscow and the rest of Russia, rather than between the two chambers of parliament and the executive branch of power. He said that in the opinion of provincial politicians, party lists will comfortably open the door to parliament for Moscow politicians. Satarov said compromise can be reached in two months.

In reply to a question whether the problem can be resolved by a presidential decree, legal advisor Krasnov said he was not in favor of the idea of a decree.

Krasnov and Satarov stressed that in any case the president wants parliamentary elections to be held according to the law and on schedule.

Filatov on 'Compromise' Attempt

LD2305175095 Moscow ITAR-TASS in English 1732 GMT 23 May 95

[By Andrey Serov]

[FBIS Transcribed Text] Moscow, May 23 (ITAR-TASS) — Russian President Boris Yeltsin vetoed the law on Duma elections today in order to reach a compromise between the power branches, head of the presidential administration Sergey Filatov told ITAR-TASS.

After the State Duma voted down the veto of the Federation Council, it made other power branches dependent on its decision. "In my opinion, the presidential veto is an attempt to reach a compromise," said Filatov.

In this situation, the Duma may drag out the adoption of a new edition of the law. Nevertheless, if it agrees to a compromise, all problems remaining on the way of this law can be settled, said Filatov.

Satarov Predicts Court Appeal

MM2305201095 Moscow KRASNAYA ZVEZDA in Russian 24 May 95 p 1

[Report by Vitaliy Strugovets: "President Uses the Right of Veto"]

[FBIS Translated Text] As was to have been expected, Russian Federation President Boris Yeltsin has not ratified the Law "On the Elections of Russian Federation Federal Assembly State Duma Deputies." According to the head of state, the equal correlation of deputies elected from single-seat okrugs and from party lists, which is established by the law in question, "does not fully reflect the role of political parties and other public associations which pursue political ends and does not take the interests of components of the Russian Federation sufficiently into account." The president is proposing that the ratio be changed to 2:1 (300 deputies are elected from single-seat electoral okrugs and 150 from party lists). Furthermore, the president has proposed that the demands be changed regarding the electorate's attendance — up to 50 percent, and that it be established that it is obligatory to conduct a second round of elections in single-seat okrugs. To settle the contradiction that has emerged, Boris Yeltsin deems it necessary to create a tripartite conciliatory commission made up of representatives of the chambers of the Federal Assembly and the Russian Federation President's Staff. The situation concerning the law which has not been ratified by the president may now develop according to two options: the State Duma either ratifies the amendments, or it does not agree to them. In the latter case, the conciliatory commission will be brought in.

As presidential aide Georgiy Satarov believes, the deputies may possibly adopt all the president's amendments except for the change in the ratio. This can be easily predicted because it is precisely the "list" principle of elections to parliament that gives parties the possibility to get as many of their own people into the State Duma as possible. If the conflict is exacerbated, from what Georgiy Satarov says, the president will appeal to the Constitutional Court, and may even organize elections "by edict." In any case, Satarov noted, the elections will be held, and the president has the last word on this matter.

Federation Council Member Defends Veto

LD2305134295 Moscow INTERFAX in English 1251 GMT 23 May 95

[FBIS Transcribed Text] Moscow, May 23 (INTERFAX) — A senior member of the Federation Council, Russia's upper house, expressed support on Tuesday for President Boris Yeltsin's Monday veto of the law aimed at changing the way the State Duma, the lower house, is elected.

Isa Kostoyev, chairman of the Council's Committee on Constitutional Legislation and Judiciary and Legal Affairs, told reporters "it would be desirable" to cut the number of seats in the 450-seat Duma allocated in a proportional vote at the national level to 150, and raise the seats allocated through a majority vote in constituency elections to 300, instead of keeping the current 225 to 225 ratio favored by the law passed by the lower house on May 11.

At the same time, Kostoyev voiced "categorical disagreement" with Yeltsin's proposal for removing from the law a clause under which civil service members would have to resign if they wished to stand for the Duma.

"The participation of government officials and officials from executive branch structures in elections contradicts the Constitutional principle of the separation of powers," he said.

It is necessary that "State Duma deputies put the interests of elections above their own ambitions," he concluded.

Deputies Comment on Veto

LD2305154195 Moscow ITAR-TASS in English 1321 GMT 23 May 95

[FBIS Transcribed Text] Moscow, May 23 (ITAR-TASS) — The Stability group of deputies will insist on the introduction of presidential amendments in the Law on Duma Elections, group co-chairman Aleksey Aleksandrov told ITAR-TASS today.

Boris Yeltsin rejected the law today and proposed to form a tripartite conciliatory commission for discussion of possible amendments. One of the amendments suggests 300/150 correlation of deputy mandates in one-mandate electoral districts and federal party lists instead of 225/225 demanded by the State Duma.

"We think that the correlation of deputy mandates proposed by the State Duma exaggerates the role of political parties and underestimates the significance of constituent members of the Federation in Russian life," said Aleksandrov. "Russian parties have not fully formed, and it is much better to vote for a person rather than for a mythical party list."

In his turn, leader of the Russian Social-Democratic People's Party and Duma deputy Vasiliy Lipitskiy believes that the President took "a very responsible decision with far-reaching consequences" by rejecting the law on Duma elections. In his opinion, one of these consequences may be a constitutional crisis to destabilize the Russian situation.

"It is very hard to imagine a Duma majority to accept the presidential proposal," noted Lipitskiy. Bearing in mind the presidential veto cannot be overridden because of the stand of the Federation Council, "a possibility we will not have this law in August — the month when elections are to be declared — has greatly increased," he added. As a result, "there is a legal space to house any steps: from a presidential decree on procedure of the elections, which will not satisfy the State Duma till postponement of the elections or prolonged powers of the Federation Council for an indefinite time," said Lipitskiy.

Member of the communist faction and ex-chairman of the Soviet parliament Anatoliy Lukyanov sharply criticized the presidential veto. "One can only regret that the President yielded to forces wishing to enhance the representation of territorial districts. The latter is equal to representation of parties by law," Lukyanov told ITAR-TASS. "The broad representation of districts will enable the party of power to help its candidates at elections, and give a free hand to the Mafia in regions."

In his opinion, the presidential proposal to make obligatory the second round of elections in one-mandate electoral districts if neither candidate gain over 50 per cent of votes would mean the absence of the first elections round in many one-mandate districts.

The second round "would result in a situation when there will be no parliament and the President will have a free hand," said Lukyanov.

Leader of the Duma communist faction Gennadiy Zyuganov told a faction meeting today they should take maximum efforts to overcome the presidential veto.

The presidential veto proves that the "ruling elite has not decided on the process to elect a new Duma," believes Duma vice-speaker and member of the Liberal-Democratic faction Aleksandr Vegerovskiy.

The legislative authorities "are being imposed confrontation which will not help consolidate Russian statehood," Vengerovskiy told ITAR-TASS. The Liberal-Democratic faction will support in the law in a form it was adopted by the Duma, stressed Vengerovskiy.

Report Notes Deputies' Reaction

MK2405092095 Moscow MOSKOVSKIY KOMSOMOLETS in Russian 24 May 95 p 1

[Report by Andrey Stepanov: "President Did It. It Will Not Be Minor"]

[FBIS Translated Excerpt] The president has "vetoed" the law on the election of Duma deputies. A shower of arguments followed. The more complicated the explanations by the country's leaders sound, the more clear it is that between interests there is a battle going on that is shamefully plain.

A rather turbulent discussion is going on between the State Duma and Shumeyko, its president, on one hand and the heads of federation components on the other. The reason is that the regional Russian princes want to make it into the Federation Council with no elections, and the "party of power" wants to campaign without leaving their ministerial seats. [passage omitted]

The president's interest in this story obviously does not lie in the text of the law (even the official appeal to the Duma says this), but in the attempt to use perks to entice the components' heads into the "party of power" which, after it wins the elections, is ostensibly supposed to ensure continuity of leadership and a powerful backing for the president (or his protege) in the coming elections. In sum, Vladimir Shumeyko, with his promises, most likely induced the president to give up his resolve to sign any text of the law as long as it stopped irritating the populace and did not prevent the holding of the elections on time. [text includes following deputies' views]

Issa Kostoyev, Federation Council deputy.

What are the Duma's further moves? Hard to say. After all, they collected 302 votes in support of the law there. This will seriously sharpen future battles.

Petr Romanov, Federation Council deputy.

The president made a strategic error in vetoing the law. First, he had a chance to rid himself beautifully of those around him who have brought himself and the state's economy into an impasse: "You, ministers, have decided to take up political activities — well, then in accordance with the law, quit your position and go on, for God's sake, and engage in politics."

His second error is that having applied a veto, he, to put it mildly, sent us moving in a circle that no one will be able to break.

The Duma is not going to adopt any other law but the one it has adopted. True, I have no right to speak on behalf on the Duma, but if I were them, I would follow precisely this road. The law is normal, it will work. The Duma may not be disbanded later than six months before the elections. That is to say, as soon as the deputies have worked up to 13 June, you cannot do anything to the Duma any more. So we will continue moving in a circle. The Duma will not be agreeing with the "presidential" law, while the president will not be agreeing with the "Duma's." The country will discover it has no law on elections at an appropriate time. In the final analysis, this will be the result: A presidential edict on elections for the Duma, then on elections for the president himself, and then an edict of the president on presidential elections are to be signed. That is to say, everything will be done unconstitutionally.

Konstantin Borovoy:

The situation reminds me of some "sick humor:"
Grandpa found a hand grenade out in the fields,
Grandpa marched with it to the village soviet.
Grandpa hurled it through the window;
Grandpa's an old man, he doesn't care.

The president's motivation is clear: to delay the election date as long as possible until the two-blocs idea finally ripen, the more so because it is not currently being implemented in the best manner possible. The president plays games with the people, and with the Duma, which is far from contributing to stability in society. Besides, moving the elections back will give fascist and nationalist organizations a chance to unite. This makes a variation of Central Asia-style democracy possible: The president holds a referendum and stays in power for one more indefinite term.

As for the Economic Freedom Party, and the other democratic movements for that matter, I think that under no circumstances will we permit the privatization of democracy. Elections are its most important attribute, and it is therefore important that they should take place.

Svyatoslav Fedorov:

In my view, this is an attempt to make a pocket Duma. This is the desire of the executive branch to subject to itself the legislative branch. It is indeed clear that if the majority system is used to elect people from rayons, it is much easier there to control the elections. The governors and regional bureaucrats will try to obtain precisely the results they want. It is much harder to bring pressure to bear if elections are from party lists, although once again it is clear that ideally the authorities would like to have a Brezhnev-era parliament where they voted unanimously "for" and there was no one who voted "against." The system of election in majority districts upholds the opinion of chiefs rather than the people. This is precisely what the currently operating authority wants.

Party Leaders Criticize Veto

LD2305130295 Moscow ITAR-TASS in English 1220 GMT 23 May 95

[FBIS Transcribed Text] Moscow, May 23 (ITAR-TASS) — The Yabloko parliamentary group of the State Duma will insist on the principles, recorded in the law "On the election of deputies to the State Duma," and will favour the overcoming of the Russian Presidents's veto on the law, Vladimir Lukin, one of Yabloko leders, told journalists today.

He made this statement after Yeltsin officially informed State Duma Chairman Ivan Rybkin today that he was turning down the law on elections, adopted by it. The President did not agree with the equal number of deputies, elected in one-seat constituencies and in the federal constituency (225 and 225) and suggested that 300 deputies be elected in one-seat constituencies and 150 — in the federal constituency.

In the opinion of Lukin, the growth of the number of members of the State Duma, elected in one-seat constituencies has two main defects in the situation, currently existing in Russia: first, the "factor of local money," which means the influence of local administrations on the results of the elections in one-seat constituencies, and the "factor of local dirty money," and, consequently, the corruption of people's deputies.

Sergey Glaziyev, head of the parliamentary group of the Democratic Party of Russia, told ITAR-TASS correspondent Ivan Novikov that their group will also vote for the overcoming of the President's vote, but he doubts whether they succeed in it. Glaziyev maintains that the turning down by the President of the law on the election of deputies to the Duma is one of the steps, taken by the "power party" with a view to creating for itself favourable conditions during the elections. According to Glaziyev, the "power party" will do all it can for preventing the adoption of any law on elections, so that they will be held in accordance with presidential decrees.

"Three fourths of votes at the State Duma and two thirds of votes at the Federation Council are needed for overcoming the President's veto, but this is next to impossible," said Issa Kostoyev, Chairman of the Federation Council Committee for constitutional legislation.

In his opinion, there is another way. If deputies to the State Duma work on the law on the elections "without ambitions, without personal or party interests, they will be able to adopt the law in time, as a minimum four months before the elections, i.e. before December 12."

Kostoyev said that his committee had recommended to the Federation Council to adopt the law on elections in the "Duma version." In their opinion, it would be better than "to disrupt the elections at all." They suggested, at the same time, that the number of candidates from one-seat constituencies and from the federal constituency should be made 300 to 150, the same as is suggested by President Yeltsin.

CP Faction Seeks To Overturn Veto

LD2305134595 Moscow INTERFAX in English 1251 GMT 23 May 95

[FBIS Transcribed Text] Moscow, May 23 (INTERFAX) — The State Duma's Communist Party faction is determined to defend the current version of the law on the election of State Duma deputies, despite the presidential veto.

"We shall insist on the variant which has been coordinated in all factions, parties, movements and Duma committees, and which says that half of the deputies shall be elected in electoral districts and the other half by party lists," leader of the Communist Party's faction Gennadiy Zyuganov told reporters on Tuesday.

In his opinion, Duma should accelerate the drafting of the law on the election of Federation Council deputies, so "the senators be aware that they will be elected in accordance with the normal practice and law," he said.

Asked if it was possible to override the president's veto, Zyuganov said that his faction will try to do so. Zyuganov was elected to the State Duma in 1993 in a proportional vote.

Stability Faction Supports Amendment

LD2305182995 Moscow INTERFAX in English 1732 GMT 23 May 95

[FBIS Transcribed Text] Moscow, May 23 (INTERFAX) — Leader of the Russian State Duma's Stability faction Vladimir Kravtsov says his faction will support part of President Boris Yeltsin's amendments to the new election law he rejected Tuesday. This includes a proposal for the contest of 300 seats in one-mandate constituencies and the remaining 150 seats by proportional representation.

However, the Duma insists on a half-and-half arrangement.

Kravtsov said Stability would also back Yeltsin's one other amendment allowing civil servants standing for parliament to keep their jobs during the poll.

At the same time, the faction will reject an amendment saying that a 50% turnout is needed for the poll to be held, Kravtsov said. The Duma-approved law and the 1993 election provided for a 25% turnout, he said. And he added that if the ceiling was raised, the country would run the risk of ending up with no parliament at all, given that there was a 30% turnout at the 1993 election.

Commentary on Yeltsin Veto

MM2405105595 Moscow IZVESTIYA in Russian 24 May 95 p 2

[Commentary by Vasiliy Kononenko: "Elections: President Returns Law"]

[FBIS Translated Text] Certainty has finally emerged in the protracted debate about the fate of a fundamental law — the law on State Duma elections. President B. Yeltsin has refused to sign this law and has returned it to the lower chamber with his proposals for reconsideration.

According to information available to IZVESTIYA, the president made the decision in the dispute over this law between the two chambers of parliament (it was rejected by the Federation Council because of a failure to agree on the principle of equal proportions of deputies to be elected from party lists and single-seat districts) following a meeting with [Federation Council Chairman] V. Shumeyko, who had called on him the previous day.

The chairman of the upper chamber insisted on this option because otherwise the State Duma could have considered the dispute with the "senators" to have been won. Competent sources in the Kremlin believe that as of today the president is not pursuing the aim of creating artificial difficulties regarding the holding of parliamentary elections in December. He hopes that the dispute can be resolved by convening a conciliation commission and that the State Duma, which has studied this law well, could adopt it with the necessary compromise amendments immediately at its third reading. Although at the same time the interlocutors would not deny that responsibility for the election date in the current situation is being shifted onto the deputies.

Unfortunately, IZVESTIYA cannot cite the arguments set out by the president's aides at a 23 May briefing because the newspaper's correspondent was not admitted to the Kremlin, although he was on the list of accredited journalists.

This list, on which the name of IZVESTIYA's representative was number 23, was signed by Presidential Press Secretary S. Medvedev. Nevertheless, the Main Protection Directorate [GUO] guards at the Kremlin entrance via Spasskiy Gate produced a list containing only 22 names. According to information from the president's press service, both the GUO and the Security Service led by A. Korzhakov deny any bias against IZVESTIYA's representative and attribute what happened to a technical error. Well, time will tell....

Official Criticizes Implementing Federal Budget

LD2305130895 Moscow ITAR-TASS in English 1243 GMT 23 May 95

[By Pavel Kuznetsov]

[FBIS Transcribed Text] Moscow, May 23 (ITAR-TASS) — Execution of the 1995 federal budget is not a situation "as rosy as officials say", Mikhail Zadornov, chairman of the State Duma Budget, Tax, Bank and Finance Committee, told a news conference in the State Duma after the committee's meeting.

The budget's 103 percent first-quarter revenues have been derived from exports of gold and precious metals, and from other palliative sources, Zadornov stressed.

The Duma budget committee is disturbed with very slow implementation of the law on tax privilege cancellation. Worse, new tax privileges have been decreed, Zadornov said.

In addition, the government has not raised export duties on gas from two to five ecus [European Currency Units] as was previously planned.

Only 44 percent of the first-quarter budget deficit has been funded, which is 16 percent of the annual scheme. The budget's spending has been funded 82 percent in the first quarter of the year, Zadornov said.

Russia's agrarian sector has got 200 percent appropriations, while only 41 percent has been put in defence orders and 49 percent in state investment.

Social appropriations make 68 percent of what was projected.

With this in mind, the lower house budget committee is pressing the government for 100 percent budget execution.

The spending on the military offensive and economic recovery in Chechnya has exceeded targets, and this will cause severe strain of other items of the 1995 budget, Zadornov said.

Zadornov said the government had made serious errors in budget implementation. He added, however, that neither the budget committee nor the Yavlinskiy-led Yabloko faction, of which Zadornov is a member, would raise the question of no-confidence vote for the government at the State Duma's plenary session due to be held on Wednesday.

Yushenkov on Army, Budget, Election Blocs

MK2305122095 Moscow KURANTY in Russian 23 May 95 p 4

[Interview with Sergey Yushenkov, chairman of the Duma Defense Committee, member of the Russia's Democratic Choice Political Council, by Lev Lin under "Man With the Gun" rubric; place and date not given: "The Army Is Sick and Refuses To Get Treatment"]

[FBIS Translated Excerpt] [Lin] Sergey Nikolayevich, talk about military reform has been going on almost since the first days of perestroyka, but has never been followed up by any action. At last, as is known, the president issued an order to create a commission on preparing reform in the Armed Forces. What is this commission, and what is it going to do?

[Yushenkov] In his message to the Federal Assembly the president promised that he will soon come forward with proposals on reforming the army. We are waiting for this statement and therefore have suspended the presentation of any ready bills to State Duma consideration. We are ready to submit for second reading draft amendments to laws on Defense, Military Duty and Military Service, and other drafts, which could regulate the process of reform in the army. We have to wait, however, because under the Constitution the right to approve the military doctrine rests with the president. Before the legislative basis of reform can be put in place, it is necessary to have answers to key questions: What are the threats to Russia? What resources are needed to prevent them? And so forth.

[Lin] But the commission is working?

[Yushenkov] The point is that we know nothing about it. I cannot even say anything about its makeup, what its rights are, or whether it exists in the first place. We sent our proposals to the president and even adopted a State Duma decree to the effect that this commission should be a state one and include representatives of the Federal Assembly. These recommendations were left without an answer. Back last July, when I met with the president, we discussed this idea in some detail. Boris Nikolayevich agreed that such a commission should be set up and tasked Baturin with the matter. But now a year has passed and nothing has been heard about the commission. [passage omitted]

[Lin] You have said that amendments to army laws are ready in the Duma. What is their orientation: Are they geared toward preparation for war or, quite the contrary, toward sustained peaceful development?

[Yushenkov] We have acted on the assumption that our society will negate war. But, as you know, things are shaping up differently. The adoption of amendments to the law on Military Duty and Military Service, which extend the service term and abolish deferrals for graduates from learning establishments, points to the intention precisely to maintain a mass army, and keep Russia preparing for war. The Defense Ministry has succeeded, with the assistance of lobbyists (primarily from the Liberal Democratic Party of Russia and the Communist Party of the Russian Federation), to push these militarist amendments through in the State Duma — moreover, at a closed session, although no secret figures or data were disclosed there. True, the military can argue that posters that could be referred to as materials for official use only were hung in the assembly hall. But there is nothing secret about that. The West knows the condition of our Armed Forces in detail, even who commands divisions, regiments, and so forth. All this has been published in the world press but is being kept from our people so that the authorities can do whatever they like. Take, for instance, the secrecy of the military budget. We submitted an amendment to the budget law with more than 100 headings, and with the breakdown of the Armed Forces by categories the number of headings exceeds 500. But the amendment was rejected. The military budget was only presented by five headings. True, we have managed to include 18 headings for 1996.

[Lin] Why is the Defense Ministry afraid to open the military budget?

[Yushenkov] Not at all for considerations of keeping state secrets. We present far more detailed data to the United Nations than what we disclose to our own people. A dual objective is pursued here: Secrecy helps frighten the population with the military threat. As a result, nobody knows the actual situation, although we have stressed dozens of times that in the twenties, when the country was really encircled by enemies, the government downsized the army 10 times. And who should we be afraid of today? But some of the recent foreign policy moves by our state, in my opinion, are in effect aimed at returning the days of the "Cold War," and re-creating enemies along the entire border perimeter, so as to be able to say: There are enemies all around; therefore we need a mighty army.

[Lin] It must be no accident that it was our side that has coined a very alarming term: "cold peace"?

[Yushenkov] That's right, and this plays into the hands of the advocates of the country's militarization, those who so painstakingly conceal the details of military expenditures. Another reason for the secrecy of the military budget is that under these conditions one can freely manipulate huge resources. After all, more state funds are allocated for defense than for industry, power engineering, transport, building construction, the agriculture sector, public health services, ecology, and culture put together.

[Lin] More than 48 trillion rubles, I think?

[Yushenkov] And these are only direct military expenditures, i.e., those of the Defense Ministry, not counting indirect ones. And such an enormous sum is represented only in five headings. Within their limits, there is an opportunity, at the discretion of the bureaucrats, to shift huge sums from some internal accounts to others, in the absence of any civilian oversight. This is fertile soil for corruption and abuses. Meanwhile we know that the U.S. defense budget has 700 open articles. As a result, there is tough oversight by society, the taxpayer, over military spending. [passage omitted]

[Lin] Sergey Nikolayevich, you have dealt much with Chechnya, met with Dudayev, helped release prisoners of war, and tried in every possible way first to avert and then stop the war. Who started this war in the first place?

[Yushenkov] I can name names. I think that a great share of responsibility lies with Shakhray as the mastermind behind this policy. Of course, personal responsibility is borne by Lobov, Yegorov, Grachev, and Stepashin, and this list can be continued. But the final decision is made by the president. He listened to the advice of these people. But things turned out not at all the way they promised him they should have. Therefore these advisers should at least be removed from their posts.

[Lin] Therefore he was simply deceived?

[Yushenkov] He may be glad to be deceived himself.

[Lin] Is Grachev's authority in the army indeed as high as he makes out? And what is the attitude among the military to such disgraced generals as Gromov and Lebed?

[Yushenkov] These generals are real professionals, and they enjoy far greater popularity than Grachev. Although I do not fully share their political views, I highly evaluate their professionalism.

[Lin] How do you think the army will vote in the next elections?

[Yushenkov] I think that the generals will for the most part support Zhirinovskiy and the Communists. In the officer corps, the picture is fairly motley. This is evidenced by, among other things, sociological surveys. As for the enlisted men, very much depends on where they will be voting. If at closed polling stations, the possibility of manipulating election returns will be very high; if in open stations, they will hardly cast their votes for those who have extended their service terms.

[Lin] Is there any hope that the procedure for voting by military servicemen will change?

[Yushenkov] This depends on whether parliament approves the draft election law. It envisions that military servicemen are to vote at open poll stations except when this is difficult to ensure.

[Lin] What do you think about the formation of the Russia Is Our Home bloc?

[Yushenkov] I welcome the formation of this bloc because up till now the executive branch has been nonpartisan, no political party has assumed responsibility for government activity. Therefore, for the ruling authority to have a public character, it should test the trust of the voters. Our party does not intend to affiliate with the Chernomyrdin bloc because we disagree with the government on a number of fundamental points. Nonetheless, in some majority constituencies I do not rule out the possibility of coordinating our efforts with the bloc. Of course, this is a big test for us. Some members of Russia's Democratic Choice are leaving for Our Home. But we believe that this will only consolidate our ranks. They say that to betray in good time means to foresee. So we would like to get rid of such clairvoyants. [passage omitted]

Federation Council Approves Broadcasting Law

LD2305132895 Moscow ITAR-TASS World Service in Russian 1232 GMT 23 May 95

[By ITAR-TASS parliamentary correspondent Lyudmila Yermakova]

[FBIS Translated Text] Moscow, 23 May (ITAR-TASS) — The Federation Council today approved the law "On Special Procedure for Privatizing State TV and Radio Broadcasting Organizations in the Russian Federation" in a repeat vote following an interval. This time 98 deputies voted in favor (the required majority was 90 votes).

In the first vote this afternoon 89 voted in favor. The deputies decided on a repeat vote at the request of one of the deputies who did not attend the first vote.

Federation Council Rejects Agricultural Law

MM2305114895 Moscow ROSSIYSKAYA GAZETA First Edition in Russian 23 May 95 p 11

[Unattributed report from the "Document" section: "In Federation Council"]

[FBIS Translated Text] Having examined the federal law "on agricultural cooperation" adopted by the State Duma, the Federation Council has, by a decree, rejected it because of the unacceptability of individual clauses. The State Duma has been asked to make changes to individual clauses of the rejected federal law, creating for this a conciliation commission to overcome the differences that have arisen. It is suggested that a number of deputies be chosen from the Federation Council to join the commission and that representatives of the Russian Federation Government be invited to take part in the conciliation procedures.

The Federation Council 13 April 1995 decree no. 445-I SF "on the federal law 'on agricultural cooperation'" has been deemed invalid.

Regional Afffairs

Further Reportage on Situation in Chechnya

OSCE Mission Chief Cited on Talks

LD2305123095 Moscow ITAR-TASS World Service in Russian 1115 GMT 23 May 95

[By ITAR-TASS correspondent Sharip Asuyev]

[FBIS Translated Text] Groznyy, 23 May — Hungarian diplomat Sandor Meszaros, head of the Organization for Security and Cooperation in Europe [OSCE] mission in Groznyy, is certain the talks on a peaceful resolution of the Chechen conflict, planned for 25 May, will take place. However, "the positions of the sides are still very far apart," the diplomat stressed today in an interview with ITAR-TASS. He has undertaken the mediatory mission of organizing the meeting between the combatant forces in Chechnya.

The meeting is planned to take place in the OSCE mission building in Groznyy. Meszaros noted that the location of the talks and their date was discussed with both the headquarters of the OSCE in Vienna and with Dzhokhar Dudayev, Nikolay Semenov, and Omar Avturkhanov, head of the Territorial Administration of Federal Bodies of Executive Power in Chechnya and head of the National Reconciliation Committee of the republic.

Yesterday, ITAR-TASS correspondent Aleksandr Kuzmin reported from the Austrian capital Vienna that Hungarian Foreign Minister Laszlo Kovacs, acting chairman of the OSCE, had officially confirmed that talks will be held in Groznyy on 25 May between the conflicting sides, aimed at eliminating the Chechen crisis. This was stated in an announcement released in Vienna on Monday [22 May] by the OSCE Secretariat, whose mission — the OSCE back-up group — is currently operating in Chechnya.

The announcement noted that the conflicting sides have been sent an official invitation to participate in the talks under the aegis, and with the involvement, of the OSCE. It asked the conflicting sides to end combat operations by 0000 on 25 May and to sit down to talk at 1000 the same day.

Imayev to Head Dudayev's Delegation

LD2305155695 Moscow ITAR-TASS World Service in Russian 1514 GMT 23 May 95

[By ITAR-TASS correspondent]

[FBIS Translated Text] Groznyy, 23 May (ITAR-TASS) — Usman Imayev, prosecutor general in Dudayev's administration, has been instructed to head Dudayev's delegation at the talks on settling the conflict in Chechnya due to take place in Groznyy under the UN aegis on 25 May. An ITAR-TASS correspondent learned this today from sources close to Dudayev's entourage.

According to the sources, Imayev is empowered to hold talks with the aim of "ending the war through a political settlement".

Dudayev Given Safe Passage for Talks

LD2305124895 Moscow ITAR-TASS in English 1217 GMT 23 May 95

[FBIS Transcribed Text] BUDAPEST, May 23 (ITAR-TASS) — Separatist Chechen leader Dzhokhar Dudayev intends to come to Groznyy to participate personally in peace talks with representatives from the Russian federal authorities, which are to be held on Thursday, May 25, reports the Hungarian Foreign Ministry.

According to a spokesman of the Hungarian Foreign Office, diplomats of this country even received a consent on a safe passage to the Chechen capital Groznyy of the rebel leader, against whom a criminal case was instituted in Russia.

The talks will be held under the auspices of the Organisation for Security and Cooperation in Europe, now chaired by Hungary. According to the spokesman, a ceasefire should be the condition for the start of talks between the sides in the Chechen conflict.

He expressed hope that such agreement will be reached before Thursday.

Air Force Continues Air Raids

AU2305135395 Paris AFP in English 1304 GMT 22 May 95

[By Sebastian Smith]

[FBIS Transcribed Text] Shali, Russia, May 23 (AFP) — The Russian Air Force mounted heavy air raids on the village of Serzhen Yurt and other rebel-held areas in southern Chechnya on Tuesday [22 May], two days before planned peace talks.

In addition to another of the now daily rocket attacks on Serzhen Yurt, Russian planes rocketed the hills above Duba Yurt, in south-central Chechnya. The planes could be seen diving, firing a stream of rockets in a burst of orange flame and black smoke, then peeling back up to circle and strike again. Heavy artillery could also be heard pounding the hills around Duba Yurt.

At one point, a total of 11 jets were attacking the mountainous rebel-held area between Serzhen Yurt and Duba Yurt, said witness Mussa Damayev, a resident of Shali, six kilometres (four miles) from Serzhen Yurt.

Serzhen Yurt, at the entrance to the strategic road to the mountain rebel headquarters in Vedeno, has been attacked for weeks by Russian artillery and aerial bombing. But two attempts by ground troops to storm the devastated village have been beaten off.

Helicopters chattered over the front between Serzhen Yurt and Duba Yurt continuously.

The Russians have cut off the last roads into the mountains, isolating the guerrillas, but also tens of thousands of poverty stricken refugees living in poorly supplied mountain villages.

The heavy weapons bombardment of rebel positions came two days before peace negotiations were to be held between Russian authorities and separatist President Dzhokhar Dudayev.

Dudayev was quoted by his spokesman in Moscow as saying that he would refuse to go to the talks — organised in the Chechen capital Groznyy by the Organisation for Cooperation and Security in Europe (OSCE) — if pro-Russian Chechens were present. But an OSCE source in Groznyy said the talks — planned for Thursday between Dudayev, the Russian administrator in Chechnya Nikolay Simionov and anti-Dudayev Chechen leader Umar Avturkhanov — were going to go ahead. "They've agreed," he said.

Several Russian-Chechen peace talks have fallen apart within hours, but this would be the first time that Russian officials agreed to sit down with Dudayev.

Russian troops launched a massive assault on December 11 to crush the tiny Moslem republic's bid for independence from the Russian Federation. Between 10,000 and 20,000 people, mostly civilians, are believed to have been killed.

Fighting Continues on Eve of Talks

LD2405090195 Moscow ITAR-TASS in English 0847 GMT 24 May 95

[By Sharip Asuyev]

[FBIS Transcribed Text] Groznyy, May 24 (ITAR-TASS) — Fighting continued in the Chechen republic causing civilian casualties on the eve of OSCE-brokered peace talks scheduled for Thursday.

Military sources in Groznyy told TASS that the federal forces used aircraft and artillery to bomb Chechen militants in the southern, southeastern, and western parts of the republic. The military assert that the blows are being dealt not at villages, but only at concentrations of the militants in forest areas.

However, a woman and a 6-year-old child were killed lately by a missile in the village of Tangi-Chu. Civilian casualties have been reported also from the populated localities of Duba-Yurt and Varanda.

Still the OSCE mission, which is now in Groznyy, hopes that the fighting in Chechnya will have subsided by this evening and the peace talks, scheduled for Thurday, will begin at the fixed time, leader of the OSCE team in Groznyy Hungarian diplomat Sandor Meszaros, who is to mediate the negotiations, told ITAR-TASS Wednesday.

The meeting is to be held at the mission's building in Groznyy. The OSCE has offered the conflicting sides to stop all hostilities at 00 hours on May 25 and to begin the negotiations at 10 a.m. of the same day.

'Unusually Heavy' Bombing Reported

AU2405113095 Paris AFP in English 1106 GMT 24 May 95

[By Sebastian Smith]

[FBIS Transcribed Text] Shali, Russia, May 24 (AFP) — Russian planes, acting less than 24 hours before scheduled peace talks, mounted an unusually heavy bombing raid on rebel positions in southern Chechnya on Wednesday.

The blasts from bombs dropped in a valley well south of the frontline village of Serzhen Yurt shook the ground at least 12 kilometres away in the town of Shali. White smoke billowed out from the wooded valley.

The area between Agishti and Duba Yurt, just to the west of Serzhen Yurt was also bombed. Two planes screamed down from a clear blue sky and peeled back up, followed by the thunder of explosions.

On Thursday, the Russian administrator in Chechnya, Nikolay Semionov, pro-Russian Chechen leader Umar Avturkhanov and rebel President Dzhokhar Dudayev's justice minister Ufan Imayev are to meet in the capital Groznyy for peace talks.

There have been several attempts at talks since the war started December 11, but never any lasting agreements. The Russians insist on total surrender by the independence fighters and the rebels insist on a withdrawal of Russian troops.

After Wednesday's bombing, the planes launched rocket attacks on the Agishti area, falling into steep dives and firing the shrapnel-filled rockets in a stream of black smoke. In a final pass, the planes poured heavy machinegun fire at the area. Short bursts of return fire from Chechen machineguns could be heard.

Two helicopter gunships could be seen flying attack missions against the outskirts of Serzhen Yurt. Skimming along at tree-top level, the gunships fired rockets and machinegunned in two separate attacks. Smoke poured from several points in and around Serzhen Yurt. There was return fire from a Chechen machinegunner, but neither of the helicopters, which are heavily armoured and retreat immediately after opening fire, appeared to have been hit. Two other helicopters attacked the hills near Agishti.

Following the hour-long air raid, Russian Grad multiple rocket batteries outside Shali could be heard firing on the rebel-held hills, about six kilometres away. The exact targets were not clear.

During the previous night, Chechen artillery fire could be heard exploding around the Russian positions. The rebels have a handful of artillery pieces and substantial numbers of Grad batteries, said a rebel commander who asked not to be named for security reasons. But ammunition is highly valuable and the heavy weapons are used sparingly and only when a clear target is sighted, rather than in intensive Russian-style barrages, the source said.

A majority of the rebels, now dug into the steep hillsides of the Caucasus mountains foothills after five months of war, had no fighting experience before the war. But there are skilled artillery specialists working the heavy weapons, the source said.

In December, Russian President Boris Yeltsin ordered the army and airforce to crush the Chechen rebellion, which started in 1991 when Dudayev declared independence from the Russian Federation. According to Russian figures, more than 10,000 people have been killed, but human rights organisations say the figure is closer to 20,000.

Probe of Shalazhi Incident Launched

LD2305142095 Moscow INTERFAX in English 1225 GMT 23 May 95

[FBIS Transcribed Text] MOSCOW, May 23 (INTERFAX) — The Military Prosecutor's Office of the Groznyy Garrison has launched criminal proceedings to investigate the incident that occurred near the Shalazhi village, Southern Chechnya, early this month.

The chief of the preliminary investigation supervision department of the Russian Main Military Prosecutor's Office Yuriy Yakovlev, has said that the investigation was launched under article 150 of the Criminal Code — "Negligence and Unintentional Destruction or Damage of Property."

According to preliminary information the investigators have at their disposal, several buildings were destroyed as federal helicopter gunships on May 2 attacked firing positions of Dudayev supporters on a live-stock farm one-and-a-half kilometers from Shalazhi.

As for the death of four people in the attack, the military prosecutor's office said that the circumstances were being investigated.

Yakovlev said that military prosecutors were carefully analyzing all testimonies and other information they were receiving from the public and the press about unlawful actions by the Russian military in Chechnya.

He said that civilian casualties in the village of Samashki were also being investigated.

Recovery of Fuel, Energy Complex Delayed

LD2305182595 Moscow INTERFAX in English 1732 GMT 23 May 95

[FBIS Transcribed Text] MOSCOW, May 23 (PIA-INTERFAX) — The recovery of Chechnya's fuel and energy complex, earlier scheduled for late May, "will be postponed" due to the lack of federal funding and continuing military operations, a source in the Fuel and Energy Ministry told INTERFAX's Petroleum Information Agency Tuesday.

According to the source, the Russian enterprises enlisted by the federal authorities to carry out repairs in Chechnya were to submit information on expected volume of work and deadlines by May 20. "However, this has not been done," the source said. He emphasized that "it remains with Moscow to find out the reasons for the failure to comply with the federal authorities' decisions. He added that the general contractor for repairs and construction in Chechnya is the joint-stock company Rosneftegazstroy.

At the same time, the source noted that the military operations in Chechnya "would have hardly allowed full-scale work to start."

Government sources say Moscow will set aside a total of 252 billion rubles this year to bring on-line 300 oil wells and 50 kilometers of oil pipelines in Chechnya.

In early 1994, Chechnya explored a total of 18 oil fields with a capacity of 44.1 million tonnes. In fact, the annual oil output went down from 3.37 million in 1993 to 1.18 million tonnes of oil in 1994. This year the oil industry has been at a standstill, but when repaired, it will produce 1.2 to 1.5 million tonnes of oil a year, the ministry said. A major oil-refining complex with a capacity of 18.8 million tonnes of oil a year had been recently built in the republic, it added.

At present, the Chechen government is creating the state-owned Southern Oil Company which will include all the fuel and energy enterprises of the republic.

Yeltsin Holds Talks With Karelian President

LD2305124795 Moscow ITAR-TASS in English 1227 GMT 23 May 95

[FBIS Transcribed Text] MOSCOW, May 23 (ITAR-TASS) — The drafting of Karelia's budget for 1996, the strengthening of federalism, the regional policy as well as the development of forestry and fur farming were discussed at a meeting between Russian President Boris Yeltsin and Karelian President Viktor Stepanov on Tuesday. This is said in a report of the Russian President's press service relayed to ITAR-TASS on Tuesday.

Cooperation in borderline districts between Russia and Finland was also touched upon during the conversation.

Tatarstan President on Power-Sharing Accord

LD2305145795 Moscow INTERFAX in English 1225 GMT 23 May 95

[FBIS Transcribed Text] KAZAN, May 23 (INTERFAX) — The power-sharing agreement between Russia's federal authorities and Tatarstan is being strictly implemented, Tatarstan's President Mintimer Shaymiyev told Russia's First Vice Premier Oleg Soskovets in Kazan on Tuesday. This document has helped stabilize the political situation in the republic and intensify economic integration with Russia's regions, he said.

It was announced during the talks that the Russian government would consider an investment project for the reconstruction of the Kazan airport. A feasibility study of the project for the construction of an international airport in Kazan has already been sent to Russia's

Transportation Ministry. The leaders of Tatarstan have also urged the federal government to earmark 50 billion rubles this year for the reconstruction of the runway in the Kazan airport.

Soskovets said that the Russian Cabinet will also consider the possibility of Russia's participation in the project for the creation of a tanker fleet. Eighty percent of the investment is to be made by Tatarstan and 20% by the federal authorities.

Shaymiyev said that his republic would spend 20 billion rubles for this purpose in 1995. Another 5 billion rubles is to be allocated by the Russian government.

Soskovets announced that President Yeltsin's directive on financing the development of Tatar culture in predominantly Tatar districts outside Tatarstan has not been implemented yet. This question is to be discussed by the commission for the implementation of the power-sharing agreement, in Kazan later this year.

Soskovets, Delegation Arrive in Mari El

LD2305181795 Moscow Radio Rossii Network in Russian 1700 GMT 23 May 95

[FBIS Translated Text] A Russian Government delegation led by First Deputy Prime Minister Oleg Soskovets arrived on an official visit in the Republic of Mari El today. During his stay he will visit republican defense enterprises, meet ministers as well as heads of departments and regional administration to discuss issues of socio-economic development and power industry in the non- chernozem zone of Mari El.

Leningrad Nuclear Plant Protection Stepped Up

MM2405105895 Moscow KRASNAYA ZVEZDA in Russian 24 May 95 p 1

[ITAR-TASS report: "Vigilance Is Commendable. Especially at a Nuclear Electric Power Station"]

[FBIS Translated Text] St. Petersburg — Henceforth you will be able to get into the city of Sosnovyy Bor only on presentation of a special permit or a passport containing a permit. That decision has been made jointly by the governments of Leningrad Oblast and St. Petersburg for the purpose of stepping up the external protection of the Leningrad Nuclear Electric Power Station as an installation of special terrorist interest.

A border zone is being introduced on the southern coast of the Gulf of Finland between the settlement of Ust-Luga and Lebyazhye. In addition to increasing the number of internal troops on the nuclear enterprise's territory and equipping it accordingly, a maritime service is being created equipped with high-speed combat craft to protect the shoreline near the Leningrad Nuclear Electric Power Station.

Volgograd Vice Governor Cited on Economy

954F2337A Volgograd VOLGOGRADSKAYA PRAVDA in Russian 8 Apr 95 p 2

[Report on press conference given by L.M. Kirichenko, first deputy head of the Volgograd Oblast administration, by N. Marchenko; place and date not given: "L. Kirichenko: We Need To Deal With the Economy"]

[FBIS Translated Text] As the scheduled press conference of L.M. Kirichenko, first deputy head of the Volgograd Oblast administration, was coming to an end, a colleague (apparently trying to rekindle the public's clearly flagging interest in politics) asked what the vice governor thought about the upcoming elections and whether he had plans to run for a deputy seat.

Lev Mikhaylovich admitted that the question of the elections is, as one may put it, "in the dark": There is no presidential edict on the subject and it is still unclear who actually is to be elected and in what order.

"I work in a team," emphasized L. Kirichenko. "When the head of administration lays out a scheme of who will run and for what elected position, then we will have a conversation on the substance. Right now we need to deal with the economy: Coordinate enterprises' actions, help the countryside complete the spring planting, and see that salaries get paid on time...."

Work for the Final Result

Well, in my opinion, this reasoning was the logical conclusion of the whole conversation the first deputy had with members of the mass media. In the course of it, L. Kirichenko identified the main "sore points" of life in our region, with respect to which the executive authority's influence has the effect of providing normal social vitality.

Summarizing the results of the first quarter, Lev Mikhaylovich said that the expense part of the budget is being implemented, sometimes even in anticipatory manner, which is a good indicator in conditions of industrial decline. The agro-industrial corporation is being actively structured; the oblast has accumulated considerable funds (30 million rubles [R] in bills of exchange, as much in fuel and lubricants, and R20 million in currency) to advance to peasants to purchase food for the regional fund. We can see a pick-up in healthy forces among industrialists and entrepreneurs in the city, who are uniting in order to work for the common outcome.

An example is the coordination of all suppliers who have something to do with tire production: the steel wire and rope plant and the tire plant, the synthetic rubber plant, and the Teksuglerod association. The latter put into operation a pipeline, through which it will be getting petroleum products from the refinery, which will allow a considerable reduction in the final output's production cost. Next is the reconstruction of the synthetic rubber plant and the oil refinery, and consequently, a transition to high-octane and more ecologically clean fuel throughout Volgograd Oblast.

According to the vice governor, the oblast administration intends to continue to support with tax preferences those domestic producers who guarantee the fastest possible way to fill our stores with consumer goods, and the treasury—with tax revenue.

So That Finances Remain Sound

At the root of many problems of the modern economy is finance. Hence the logical interest of the oblast administration in forming a financial market and a secondary securities market. Many enterprises are acquiring real owners now, denoting the ability to talk in a more open and businesslike manner about cooperation for the sake of the interests of the region. New banks have come to the Volga region—Inkombank, Vozrozhdeniye, Imperial—and with them new credit projects (for instance, construction of a corn seed-grading plant or reconstruction of the Imeni 62d Army Poultry Factory). At the same time, some of the "first wave" banks have ceased operations or are experiencing difficulties....

The oblast administration itself is becoming a powerful active factor in the financial market. L. Kirichenko spoke about the first issue of oblast bonds in an amount of R2.5 billion. Of course, such an amount is not going to make a tremendous difference. The important part is to accumulate experience in placing a bond issue.

"The best thing for those who have savings is to invest money in the oblast bond issue. This is an alternative to all those who accumulate money, not just financial companies. Only the administration can guarantee its securities by regular tax revenue, land, and intellectual capital," Lev Mikhaylovich shared his considerations.

On the other hand, money is not a goal in itself but a means of solving the most significant social problems. What are they these days?

Routine and the Holidays

Our authorities already are beginning to lay the foundation for preparations for the next winter. Programs in road construction and gasification in agriculture have been approved. The matter is being made easier by the fact that many citizens are willing to assume the expense of delivery of the blue fuel directly to their homes. Thus, funds are being freed for accelerated construction of gas mains. L. Kirichenko assured that the administration is getting ready to tackle another problem that will manifest itself in two or three months—the need to pay out large amounts of money to workers in educational institutions and preschool facilities going on summer leave.

But the main task today is to prepare for celebration of the 50- year anniversary of the Great Victory. Lev Mikhaylovich confirmed that each war veteran will receive a monetary gift from the state to mark the momentous date. Our oblast administration is looking for funds to finance benefits for war veterans, which the federal government announced but did not materially support.

Lev Mikhaylovich said that President B.N. Yeltsin, the ministers of culture, finance, and social security, the heads of the former Soviet republics (except the Baltics, which will be represented by heads of Russian communities) and hero cities, and diplomats have been invited to participate in the celebration. It is too early to say exactly who will come, however. There may be other guests as well. For instance, the Bulgarian leadership has expressed a desire to celebrate 9 May on the sacred Stalingrad soil....

Preparations for the celebrations are proceeding full speed ahead.

In conclusion, L. Kirichenko gave exhaustive answers to journalists' questions.

Maritime Governor Assails Chubays' Plans

954F2319A Vladivostok UTRO ROSSII in Russian 20 Apr 95 p 1

[Yevgeniy Shaposhnikov report: "'I Disagree With the Ideology of Privatization': Governor Ye.I. Nazdratenko Has Given a Briefing for Journalists"]

[FBIS Translated Text] Kray Governor Yevgeniy Nazdratenko gave a briefing yesterday for journalists of local and central news media. All the questions that the administration chief answered were connected in one way or another with the statements of First Deputy Prime Minister Anatoliy Chubays, who takes a negative view of the activity of the Maritime Administration, and also with the appearance in the central press of a whole number of articles reflecting the same viewpoint.

Only at the end of the 90-minute discussion did Yevgeniy Ivanovich emphasize that all the attacks on him concerning problems of the fuel and energy complex and malfeasance in a number of industrial organizations were being mounted merely owing to his disagreement regarding the demarcation of the new Russian-Chinese border. The governor recalled that the administration chiefs locally had learned of the new border agreement between Russia and China signed in 1991 only in 1993. "All this was done in secret from the people, as was the transfer of Damanskiy Island and the Bering Sea shelf. My 'guilt' is that I have told the public about this treaty—this is not an equalization of borders but the wresting of 1,500 hectares of land away from Russia and the Maritime region," is how the governor commented on the question of the possibility of his dismissal from his current office.

Concerning the rumors that the governor will be offered ministerial office in the present government, Ye. Nazdratenko was very emphatic: He would under no circumstances work in the same team as A. Chubays. "I have no intention of being answerable to the people for the entire collapse of the economy and the impoverishment of the people which is being pursued by the so-called marketeers."

The governor announced his disagreement with the ideology of the current privatization and with the removal from state control by way of conversion into stock companies of enterprises of the fuel and energy complex, bread baking, grain delivery, and certain other vitally important branches. Ye. Nazdratenko cited as an example the experience of a number of Western countries, including Britain, from a business trip from which he had just returned: The transport and coal industries there are publicly owned and are subsidized and strictly controlled by the administration. "Attempts are being made with us, however, to make them independent and, essentially, uncontrolled, and heating and electric power here being demanded of the kray administration, from which all levers of control have, essentially, been removed."

The governor also said that he is opposed to the decision adopted recently by the Moscow commission on the closure before the end of the year of half of the Maritime region's mines on account of their unprofitability. "This process should be stretched out over a period of up to four or five years. It is necessary first to resolve the social problems and questions of the retraining, employment, and possible relocation of many thousands of people. Such things cannot be done in just a few months," Yevgeniy Ivanovich believes.

The head of the administration left unanswered a question concerning the case of former Mayor V. Cherepkov and his involvement in the falsification of the proceedings by the leadership of the kray and the Internal Affairs Administration. "The investigation is drawing to a close, and we will all learn the truth," he declared.

Economic Issues

Chubays Rejects Fixed Ruble-Dollar Rate

LD2405114195 Moscow ITAR-TASS in English 1118 GMT 24 May 95

[By Konstantin Savvin]

[FBIS Transcribed Text] Moscow May 24 (ITAR-TASS) — The Russian government will not introduce the rouble's fixed rate vis-a-vis the dollar. There will be no revolutionary changes in the financial policy concerning the currency rate, first vice-premier Anatoliy Chubays said here on Wednesday.

He delivered a report at the fifth congress of the Association of Russian Banks, which opened in Moscow today. The report dealt with problems of economic reform and the role of the banking system under present-day conditions.

The vice-premier claimed that this policy will bring down rates on long-term credits, which will help to step up investment activities.

He said that the government takes measures to support the banking system. However, it will not support banks showing poor performance. The key goal of Russia in 1995 is to achieve financial stability, without which it is impossible to achieve stability in the economy and stability of the situation in the social sphere.

According to Chubays, a trend has developed for such stabilisation over the past few months, and some industrial growth has started in the key industries.

U.S. Firm's Foreign Economic Policy Challenged

MK2305114095 Moscow SEGODNYA in Russian 23 May 95 p 1

[Report by Rustam Narzikulov in the "Mediators" column: "Merrill Lynch Has Demanded That Russia Waive Its Sovereignty"]

[FBIS Translated Text] For five months now the Russian Federation has had an official international financial agent acting as a mediator in attracting investments from foreign markets. This status was granted 19 December 1995 to the U.S. financial company Merrill Lynch.

Possibly there would be nothing objectionable in granting exclusive financial rights to a well-known foreign firm (not counting the secret procedure of choosing a government agent) were it not for Merrill Lynch's own understanding of its role in Russia's foreign economic policy.

On 14 April this year, Winthrop H. Smith, chairman of the Merrill Lynch Board of Directors, sent an agreement letter to the Russian Federation prime minister specifying the conditions and lines of activity by the company as a government agent. According to the letter, the company has chosen four main financial instruments as a means of attracting foreign investors: placing ruble-denominated T-bills, Eurobonds, and "convertible corporate debt obligations" on international markets and financing projects "related to commodity deliveries," including gold, gold swaps, and gas supplies.

It immediately becomes obvious that the first two financial instruments are in no way connected with the need to use a special international agent: Current legislation allows foreign investors to acquire T-bills, while the placement of Eurobonds has until now been handled by domestic organizations.

As for convertible corporate debt obligations, this apparently involves drawing foreign investments against the surety of state blocks of shares in Russia's privatizing enterprises. There is no need to explain what happens to the surety in the event of a debtor's default and at what price it goes to an investor. A collateral scheme is also used in financing projects "involving commodity deliveries."

Merrill Lynch evaluates its services highly; otherwise, it would not have included a point in the contract whereby "in addition to fees credited to Merrill Lynch per this agreement (this involves a 1 to 3 percent commission for the conduct of the above financial operations — R.N.), the Russian Federation agrees to compensate to Merrill Lynch operating expenses on the basis of quarterly orders... within reasonable limits." Russia therefore is invited to foot the firm's bills on presentation.

A far more valuable acquisition for the company, however, will be not commission fees from the Russian Federation Government, but the right of Merrill Lynch and its subsidiaries "to keep all patent information (information of the Russian Government made available to Merrill Lynch on an exclusive basis — R.N.) and to use this information without incurring any obligations with respect to the Russian Federation." Not even Merrill Lynch or other consulting firms will probably be able to assess the real value of "patent information" of the Russian Government.

Merrill Lynch has also taken care that its agreement with Russia is not affected by current legislation: "The Russian Federation irrevocably waives the right, to the full extent as allowed under current legislation, to all immunities arising from sovereignty... to judicial prosecution, jurisdiction of any courts, judicial bans or property attachment orders and execution of any judicial decisions with respect to its monetary receipts or assets." Next the letter says that "the Russian Federation irrevocably accepts the exclusive jurisdiction of British courts."

According to information in SEGODNYA's possession, Viktor Chernomyrdin has yet to sign this agreement, which was sent him more than a month ago. However, Merrill Lynch has strong influence in government circles, which is evidenced by, among other things, a demonstration by a well-known banking consortium that lays claim to state blocks of shares and of its full loyalty to the Americans. The banks have recognized "the timeliness and expediency of interaction with... Merrill Lynch and other international financial establishments aimed at ensuring the financing of investment projects supported by the Russian Federation Government."

Commentary on 1996 Budget Policy Outline

MM2305151895 Moscow ROSSIYSKAYA GAZETA First Edition in Russian 23 May 95 pp 1, 2

[Commentary by Vladimir Kucherenko: "The Ministry of Finance's Plans. The Russian Federation Government Has Reviewed the Main Directions of Fiscal Policy in the Coming Year"]

[FBIS Translated Text] The concept of this fiscal policy was presented by First Deputy Finance Minister V. Petrov. In his words, the main task is to hang on to what has been achieved this year. In the sphere of credit policy it is planned to secure real, discount rates and the equal access of all solvent enterprises to credit resources (the forecast discount rate is 35-40 percent). The Central Bank of Russia plans to cease gradually to cover the outstanding debts of commercial banks with centralized loans and to tighten its control over its dependents. The main instruments of monetary regulation will be credit auctions, the rediscounting of bills, and collateral loans.

One of the main instruments for controlling the growth of net internal assets will be the use of state securities. Free currency exchange is to be retained, but the Central Bank of Russia must restrict the practice of currency intervention to eradicate fluctuations in the ruble exchange rate. All this is possible only on the condition that inflation is squeezed down to the level of 1-1.5 percent per month. This will bring about the stabilization of income and the standard of living, first and foremost for employees of the agro-industrial complex and budget-funded organizations.

The provisional ruble exchange rate for fiscal calculations in 1996 is 6,200 rubles [R] to the dollar. The planned GDP of R1,900 trillion in real terms will be at the same level as this year. Federal budget revenues are expected to be R273 trillion, and budget costs are expected to be R349 trillion. The R76-trillion deficit will be covered only by market methods from sources that do not increase the money supply.

For example, income from state securities will generate R40 trillion. External borrowing will bring in R31 trillion. Income from the purchase of state securities on the secondary market by the Central Bank will produce an additional R5 trillion. At the same time, the Central Bank of Russia will continue to issue credits to the Ministry of Finance to fill the cash gap.

This policy, according to the plans of the Ministry of Finance, will also create the much-coveted stability for private investment in production — the main hope for industrial recovery. For this purpose it is promised, for example, to ease the tax burden on commodity producers — by the abolition of special tax, the "levy" on excess wages, and many other, petty taxes. A simplified system of taxation will be introduced to small businesses by selling them patents. Taxes levied on the proceeds from the sale of goods or on their prime cost are to be abolished.

This, however, represents losses of budget revenue estimated at R30-35 trillion. How are these losses to be made up, especially since the policy of retaining social guarantees, supporting agrarians, and fighting crime do not allow state costs to be slashed? V. Petrov believes that it is partly possible to rely on the growth of income from tax on the incomes of private individuals. Profit tax is to increase. Money from the introduction of excise on fuels and lubricants will pour into the road fund. The role of property and land tax as a source of supplementing regional and local budgets will increase.

Particularly large reserves are to be found in recovering revenue from the liqueur and spirits trade and from stopping contraband and introducing a state monopoly in this area. Abolishing VAT concessions and tax vacations for small businesses on the "levy" on profits will also bring in extra revenue. Investment benefits will also be slashed — as it is, these benefits apply both to the purchase of a machine tool and a new Mercedes for the director. The policy of consolidating extrabudgetary funds within the budget and of abolishing sector funds formed through increased prime costs will continue. And it goes without saying that it is necessary to step up the work of the tax and monitoring services.

In order to distribute limited state resources as best as possible, only the most promising spheres will receive state support. Above all, in the export-oriented fuel and energy complex, metallurgy, and high-technology industries — not more than 15 percent of the total volume of production will be subsidized by the state and always on the basis of federal programs.

The level of centralized support will remain low — only R18.3 trillion, which will be given out on the principle of "one ruble from the state to four rubles from the private sector."

More funds are to be appropriated for social programs, education, culture, and art. Special attention will be devoted to strict control over the targeted use of money. Measures envisaged for support of the countryside include a protectionist policy, the development of credit against goods, and partial compensation for expenditure on fertilizers.

However, V. Petrov warns: The Ministry of Finance will be unable to present to parliament by 15 June a detailed draft budget for 1996. Therefore, only a framework document with sections headed "Armament," "Agriculture," and so forth, should be expected at this stage.

This concept was approved by the majority, but there were also objections. First Deputy Defense Minister A. Kokoshin believes that this draft does not enable the Army to start ordering modern weapons or support essential theoretical and design work. Military expenditures should not be kept at this year's level, but increased, especially since the Ministry of Defense experienced severe underfunding in 1994 and is so far this year receiving only 40 percent of the planned amount. Kokoshin also called for budget investments to be directed above all into the municipal and state infrastructure: airfields, utilities, communications, and transportation. Without this, he believes, we risk losing the Far East.

GDP Falls 5 Percent for First Quarter

LD2405084795 Moscow ITAR-TASS in English 0818 GMT 24 May 95

[FBIS Transcribed Text] Moscow May 24 (ITAR-TASS) — The Russian gross domestic product (GDP) in the four months of 1995 fell five per cent compared to the same period last year and totalled 382 trillion rubles ($76 billion), TASS learned from the Russian State Statistics committee Wednesday.

Produced goods comprised 39 per cent of the total GDP, while rendered services amounted to 53.1 per cent.

Half-Year Industrial Output Data Predicted

MM2305150795 Moscow IZVESTIYA in Russian 23 May 95 p ii

[Article by Doctor of Economic Sciences Aleksandr Frenkel, director of the Macroeconomic Strategy Center of the Russian Academy of Sciences Institute of the Economy: "Structural Character of the Slump in Production Becoming Increasingly Marked. Industrial Output Forecast in Russian Federation for First Half of 1995" — from IZVESTIYA's financial section]

[FBIS Translated Text] The slump in the Russian economy will not be halted in the first half of this year. However, it is expected that the decline in industrial production will be more moderate than in the first half of 1994. Production then "contracted" by 28 percent in the first six months whereas this year the figure will be 6 percent. Let us recall that since mid-1994 there has been a visible trend toward the stabilization of industrial production. The decline in production compared with the corresponding period of the previous year was as follows: In September and October 1994, it was around 20 percent, in November it fell by 16 percent, in December it fell by 13 percent, and from January to March 1995 it was down by 6 percent.

The structural character of the slump in production is clearly visible. The decline in output in the fuel and energy complex will be minimal while in export-led sectors (for example, in ferrous metals and the chemicals and timber complex) the dominant trend will be toward increased production rather than reduced output.

With few exceptions, the output of the consumer goods sectors is failing to compete with imported goods in the domestic market. In the first three months of 1995 light industry production fell by 39.6 percent compared with the first quarter of 1994.

The situation in a number of machine building sectors is even more calamitous than last year. The production of large electric machines in the first half-year was just 15 percent of the corresponding level for 1989 while the figure for forging and pressing machines was 7 percent and for mainline electric locomotives the figure was 8 percent. Tractor production will be down to 10 percent, grain combines will be 3 percent, and tractor trailers will be down to 2 percent of the 1989 figure. The production of a number of types of consumer goods is on the verge of disappearing completely. Tape recorder production will be down to 16 percent of the 1989 figure, bicycle production will be down to 13 percent, silk fabric production will be down to 16 percent, and footwear production will be 12 percent.

In the fuel and energy complex production will be maintained at close to last year's level. Unlike the first half of 1994, however, it is expected that electricity generation at hydroelectric power stations and the production of gas condensate and coking coal will increase. The decline in production in the oil and oil refining industry will slow down. Oil extraction will be almost equal to the figure for the first half of 1994, while the production of gasoline and diesel fuel will be 98 percent and 92 percent of last year's figures respectively.

It is expected that the production of most types of ferrous metal output will increase. The production of finished rolled metal will be 110 percent of the figure for the first half of last year while the production of pig iron and steel will be 109 percent and 105 percent respectively. The increase in production in the sector is being stimulated by three factors: the settlement of enterprises' reciprocal payments, increased investments by foreign partners, and increased export earnings.

In the chemical and timber complex production of most of the major types of output will increase. Soda ash production will rise by 34 percent compared with the figure for the first half of last year, while the production of synthetic ammonia will rise by 13 percent and mineral fertilizer production will be up by 19 percent. Paper and cardboard production will rise considerably (by 10 percent and 16 percent respectively).

In the construction materials industry, positive changes can be expected in the production of certain types of output used in individual housing construction or for supply to the foreign market. For example, slate production will be 101 percent of last year's level and window pane production will be down by only 5 percent, whereas the production of reinforced concrete structures will be down by 13 percent.

Improvements are expected in the production of certain types of machine building and metal processing output. By 1 July 1995 bulldozer production will be 133 percent of the level for 1 July 1994, automobile production will be 110 percent, and bus production will be 107 percent.

Comparison with the results for the first half of last year show that the slump in production has been particularly severe in machine building. The assumption that production in this sector would begin to increase in the first half of 1995 was quite justified. However, it may be said with confidence today that there will be no breakthrough by the end of the half year.

There are virtually no "shoots of growth" in the production of nonfood consumer goods. Last year the production of refrigerators and freezers was regarded as a growth area: The results for the first half of 1994 show that production of those goods was 6 percent higher than for the corresponding period in 1989. In the first half of this year their production will decline sharply to just 68 percent of the figure for the first six months of last year. Only the production of synthetic detergents and radio receivers will remain at a level close to last year's figure (98 percent and 94 percent respectively of the production volume in the first half of 1994).

The trend toward reduced output in food production sectors will persist, and for a number of types of output the reduction in production will be even more significant over the first half of the year than over the first quarter. For example, according to State Committee for Statistics figures for the first quarter of 1995, meat production will be at 69 percent of the level for the first quarter of 1994 while sausage production will be 79 percent. The results for the first half-year show that the corresponding indicators will be 66 percent and 74 percent of the production volume for the first six months of 1994. If we compare movements with the level of the pre-crisis year of 1989, the figures make even more depressing reading. Whereas in the first half of 1994 meat and sausage production amounted to 43 percent and 63 percent of the 1989 figure, by July 1995 the figures will be down to just 28 percent and 27 percent, respectively. The largest fall will be in the production of granulated sugar. Production will be 18 percent of the 1989 level at most.

Nevertheless, it is possible to find some "shoots of growth" in the food industry. The production of non-alcoholic drinks and mineral water, vodka, and spirits is recovering and will exceed the 1989 level by 16 percent according to the results for the first half year.

Directive on Distribution of Caspian Oil Income

MM2305155795 Moscow ROSSIYSKAYA GAZETA First Edition in Russian 19 May 95 p 9

[Russian Federation Government Directive No. 516-d signed by Premier Chernomyrdin in Moscow on 17 April 1995; from the "Departmental Supplement" section]

[FBIS Translated Text] 1. The proposal from the Russian Ministry of Fuel and Energy, coordinated with the Russian Finance Ministry, to annually deduct the income obtained by the Russian Federation from its participation in the Caspian Pipeline Consortium in the amount of 50 percent to the federal budget and 50 percent to the budgets of the Republic of Kalmykia-Khalmg Tangch, Astrakhan Oblast, and Krasnodar and Stavropol Krays, distributed between these Russian Federation components in proportion to the volume of capital investment carried out by the consortium in building pipeline installations on their territory, shall be adopted.

In shaping the federal budget for the year in question the Russian Finance Ministry shall ensure that this income is directed as aforesaid.

2. On completion of the construction of the Caspian Pipeline Consortium's pipeline installations, the Russian Ministry of Fuel and Energy shall ensure that the Russian Finance Ministry and the executive organs of the Russian Federation components listed in Paragraph 1 of this directive are informed of the amounts of capital investment carried out and the distribution between these Russian Federation components.

[Signed] V. Chernomyrdin, chairman of the Russian Federation Government

[Dated] 17 April 1995, Moscow, No. 516-d

Government To Support Cash-Based Privatization

LD2305151295 Moscow INTERFAX in English 1257 GMT 23 May 95

[FBIS Transcribed Text] Moscow, May 22 (FIA-INTERFAX) — The Russian government will back cash-based privatization with a series of normative acts, Chairman of the State Property Committee Sergey Belyayev told a news conference on Tuesday, commenting on the first session of the Federal Commission for shaping the revenue part of the federal budget through privatization.

He said that the State Property Committee will work out new standards for evaluating the initial price of shares in privatized enterprises this week. Presently, the initial price of such shares is evaluated on the basis of these enterprises' balance sheets as of July 1, 1992. He said this price is "understated and does not reflect the market value of the enterprises' assets."

He also announced that in the middle of June, the Russian government will discuss the draft presidential decree on the transfer of the shares of privatized enterprises to various organizations on trust. This is expected to increase the profitability of such shares, said Belyayev.

In May, the government will approve a draft presidential decree with a list of strategically-vital enterprises whose stock shall be owned by the state until 1996-97 and which are not be sold until this time. Belyayev said that the shares of "enterprises which will not figure in this list, will be sold at auctions."

In addition, the State Property Committee will work out a procedure for selling shares in Russian enterprises on the international market, as well as the rules for transforming the debt in state budget funds into an obligation for paying for the land on which they are located.

St. Petersburg Official on Privatization Edict

954F2317B St. Petersburg NEVSKOYE VREMYA in Russian 17 May 95 p 1

[Report on interview with Mikhail Manevich, deputy mayor of St. Petersburg and chairman of the KUGI, by Galina Mikhaylova; place and date not given: "Land Can Now Be Purchased"]

[FBIS Translated Text] A few days ago Boris Yeltsin signed the edict "On Measures Ensuring Guaranteed Revenue From Privatization Into the Federal Budget." Mikhail Manevich, deputy mayor of St. Petersburg and chairman of the KUGI [Committee for the Management of State Property], believes that the federal authorities are behaving quite consistently in conducting the privatization policy.

"The experience of the post-voucher period has demonstrated that the reserve 'state' block of stock, which many enterprises saw as a panacea for all their troubles, has not turned into a financial infusion for them. Privatized enterprises have not received either investments from higher up or additional state orders," says Mikhail Vladislavovich. An exception was made only for state-owned enterprises of particular national importance. Now state-owned blocks of stock will be sold on the stock market, with the goal of solving two tasks: reducing the budget deficit and providing investment for joint-stock companies.

"One of the important aspects of the presidential edict is selling real estate, first of all land lots on which owner enterprises are situated.

"A little bit of history. On the eve of 1 July 1994 (the beginning of the post-voucher period), Boris Nikolayevich legalized in an edict the sale of land at real prices. However, in November of the same year the Russian Government set a normative tariff in the amount of 200 times the amount of the yearly tax on land. This made a buy-out practically impossible. Even in these conditions the St. Petersburg KUGI was searching for ways to help enterprises, and approved partial buying up of land, installment payments, and discounts. But these were compromises; a cardinal solution to the problem was needed.

"The first step was made by Russian GKI [State Committee for the Administration of State Property] Chairman Sergey Belyayev. In his letter he permitted the sale of lots at prices in effect at the time the plans for 'money-based' privatization were approved. The president supported the GKI, and now the price of land is set in the amount of 10 times the tax rate. Also, federal enterprises may use the money owed to them by the budget as means of payment in buying up their territory. This circumstance is very important for firms in our city, to whom the federal treasury owes 300 billion rubles [R]. Local budgets, which will receive 77 percent of the facility's sale price, also benefit from the sale of real estate. In our calculations, the St. Petersburg budget deficit will be reduced by one-quarter — R200 billion.

"I am convinced that enterprise collectives will take advantage of the opportunity to buy out their territory at below market prices. The city, on its part, will speed up this process and will simplify to the utmost the buy-out procedure. The list of documents to be submitted to the Property Fund is being reduced; two options for buying out land lots are envisaged. One permits the conduct of a cadastre survey and the 'setting' of lot borders before the act of purchase is consummated. The other permits doing so after the certificate of ownership is issued, but no later than three months after the contract is signed."

St. Petersburg Issues Unemployment Statistics

954F2317A St. Petersburg SANKT PETERSBURGSKIYE VEDOMOSTI in Russian 17 May 95 p 1

[Report by St. Petersburg Employment Committee: "More Than Half the Unemployed Are Women"]

[FBIS Translated Text] The St. Petersburg Employment Committee has finalized the results of the past two weeks.

During the period 1 to 14 May, 5,961 persons applied to the employment service in search of work, and 5,694 persons visited the employment service for consultation. Altogether, 49,994 visited the employment committee, counting repeat visits.

During the week, 3,257 persons were granted the status of unemployed, which is 1,361 more compared to preceding indicators.

During the period 1 to 14 May, 3,095 unemployed were removed from the rolls, which is 1,348 persons more than last week.

There has been an improvement in the efforts to find jobs for unemployed people in Krasnoselskiy, Petrogradskiy, and Primorskiy Rayon employment centers and the Pavlovsk bureau.

Among those removed from the rolls, more than half found jobs through the Pavlovsk bureau (69.2 percent), Kronshtadtskiy (60.7 percent), Moskovskiy (60.3 percent), and Kalininskiy (54 percent) Rayon employment centers.

During the period 1 to 14 May, 378 persons were referred for professional training and 284 persons processed for early retirement.

During the two weeks the number of persons officially counted as unemployed increased by 162 and comprised 53,960 persons, 67.4 percent of whom are women.

International Affairs

Moroz Absence at Clinton Rally Deemed 'Revenge'

WS2405110795 Kiev VECHIRNIY KYYIV in Ukrainian 19 May 95 p 1

[Commentary by Pylyp Boroday: "How Oleksandr Moroz Took Revenge on Bill Clinton"]

[FBIS Translated Text] Bill Clinton's meeting with Kiev residents held on 12 May near the red building of Kiev University surely attracted much interest and huge crowds. While ordinary people had to elbow their way, high-ranking officials had a special section with chairs reserved just for them. Each of those esteemed people was assigned a chair bearing a nameplate with his or her name on it. Surprisingly, one of those chairs remained empty. Its nameplate suggested that [Ukrainian Supreme Council Chairman] Moroz was supposed to be sitting there. He, however, refused to join the high-ranking American guests, ambassadors accredited to Ukraine, and Ukrainian Government leaders — [Deputy Prime Minister] Yevhen Marchuk being one of them. A radio report said that the legislative speaker was chairing a Supreme Council Presidium meeting that day. By the way, it was Friday. Never before has the Presidium held meetings on Fridays. They are usually held on Mondays.

Various rumors are circulating in the lobbies in connection with this demarche by Oleksandr Moroz. Some say that this was his way of taking revenge on Bill Clinton. Not so long ago, the speaker had to postpone his already announced trip to the United States (it is said that the Americans led him to understand that it was inappropriate for the head of our Supreme Council to be ahead of our president, challenging the executive branch). Others believe that Oleksandr Moroz had every reason to get upset: His meeting with the U.S. President in Washington, extensively hyped in Kiev well in advance, fell through, and the speaker was only met by the vice president.

There is another explanation, saying that the Socialist Party leader decided thus to voice the attitude of our left-wingers toward the "capitalization." This point of view seems to be closest to the truth, because on the very next day after the above protest was lodged, and despite the fact that it was a holiday, Oleksandr Moroz went to his electoral district to meet with workers. His conversation with them contained various precious thoughts. Speaking at his alma mater, he emphasized: No credits will salvage Ukraine! How can they if [some people] think one thing, say another thing, and still do another?

Commentary Hails U.S. President's Visit

AU2205154395 Kiev NARODNA HAZETA in Ukrainian No. 19 (200) May 95 p 1

[Report by Iryna Yashchembska: "Glory to Ukraine!"]

[FBIS Translated Text] *"Slava Ukrayini!" [Glory to Ukraine!] — these were the words in Ukrainian with which the 42d U.S. President William Jefferson Clinton finished his expressive and, in many ways, symbolic speech during the state visit to Ukraine in front of thousands of students and Kievans who gathered near the building of Kiev State University named after Taras Shevchenko.*

As we already know, this speech was preceded by fruitful negotiations with Ukrainian President Leonid Kuchma. The heads of the two states specifically discussed ways to considerably expand spheres of scientific and technological and humanitarian cooperation. European security issues and the place of Ukraine in the process were also discussed. A number of important bilateral documents were signed.

"It is a great honor for me to be the first American president to speak before the people of the free and independent Ukraine," stated Bill Clinton. He said that he was glad that the meeting was taking place at a national university, upon which, as well as upon other similar scientific institutions, Ukraine's future depends to a large extent. Knowledge is acquired here and dreams take shape. The president had special words of greeting for students and scientists who, in this time, which is so difficult for Ukraine, have not yielded to the temptation to give up studying or scientific work, but opted for a more difficult road and placed the needs of the state and of its future above their own needs. To the words of [Ukrainian poet] Taras Shevchenko whether we will live long enough to have our own Washington with a new and fair law, the U.S. President replied: Precisely now. Now that so many Ukrainians strive to create a state that will be governed by the law and by the will of the people.

"You are among the oldest European states creating one of the newest democratic states," continued Bill Clinton.

Ukraine has already made a considerable contribution to the cause of global peace. The American President believes that the Ukrainians and Americans who jointly fought against fascism and joined hands in the victorious handshake on the Elba must jointly create a safe world today. B. Clinton hopes that Ukraine will become a stronghold of stability in Europe. He called upon the Ukrainian people to proceed along the road of economic reforms and social transformations. On this road, the

United States will grant Ukraine assistance, especially in the sphere of economy and defense.

The Ukrainian president is convinced that, now, the Ukrainian people are capable of fulfilling their age-old dream: To be free and independent. For the United States, its support for Ukrainian independence is not just mutual understanding but also a matter of its national interests.

The U.S. President's speech was repeatedly interrupted by the many-voiced chanting "Clinton, Clinton!" This is the Ukrainian mentality: Good words are always received with enthusiasm and trust. That is why the inspired speech gave rise to so much optimism.

It goes without saying that the visit by the U.S. President will be studied in detail and analyzed. However, we realize even today that there are no grounds for counting upon American selfless aid. U.S. plans, like those of Russia, do not involve raising a strong competitor. However, while Russia is doing everything not to allow Ukraine to unbend its back, the United States cannot have such striving. That is why it cannot leave our state face to face with its aggressive northern neighbor — this would be too risky for the world community and, particularly, for the United States.

Therefore, Ukrainians, realizing the complexity of the problem, are sincerely grateful to Bill Clinton for his proclaiming with responsibility and to the whole world: Ukraine is a great state with a rich historical past and great prospects for the future.

Commentary Notes Shift in U.S. 'Accents' on Aid

AU2305134295 Kiev MOLOD UKRAYINY in Ukrainian 16 May 95 p 1

[Report by Olena Hubina: "America Will Treat Us Even Better?"]

[FBIS Translated Text] When U.S. President William Clinton was expected at the Boryspil Airport, journalists noticed an extraordinary fact. State flags of both countries were hoisted, but the U.S. flag was several times larger that the Ukrainian one. Such an embarrassment was explained by prosaic reasons — the American side had allegedly been asked to send the flag of a certain size, but it was somehow lost on the way. However, journalists immediately started making allusions to the symbolic character of the fact. It is true, though, that, by the end of the visit, the flags became "equal" in size, and pessimistic predictions were dissipated.

Clinton's stay in Kiev may be regarded as a certain indication of positive emotions, if one recalls that it was preceded by a trip to Moscow and followed by a meeting in Washington with political opponents who will not hesitate and remind him about that same Moscow. The excitement in the United States about "Russian democracy" and "Russian reforms" gradually subsides. Reforms have not, so far, produced appreciable results, and "democracy" has gone into a stall due to the military conflict in Chechnya. During the celebration of the 50th anniversary of the victory over the Hitlerite fascism, Bill Clinton was in Moscow: He had to pay his tribute to history, specify the course of development of his present relations with the Russian president, and at the same time behave in such a manner lest the whole world should think that he approves of the Russian intervention in Chechnya.

However, the world press did not fail to carry commentaries to the effect that Clinton's presence in Moscow and the meeting with the high Russian leadership have, in fact, resulted in Clinton's passive failure to oppose the war in Chechnya. Against this background, the president cannot help being concerned about the moods of American voters who today unambiguously speak of how the U.S. financial assistance to Russia is being used. All the more so since Clinton has failed to talk the Russian leadership out of its intentions to sell nuclear reactors to Iran. Besides, Russia turned out to be intractable in its views concerning NATO positions in Europe.

Relations between the United States and Ukraine develop in a totally different way. The leaders of both countries have lately reached such mutual understanding that the Americans started insisting that it is precisely Ukraine that may be considered as one of the main factors in stabilization in Central and Eastern Europe. Moreover, Ukraine proclaims its special position regarding NATO. Statements by Ukrainian officials involve calls to keep the NATO door open to all and suggest that Ukraine must establish contacts with NATO without joining this military alliance. Thus, it looks like Ukraine will not be able to dodge the role of a certain buffer between the NATO member countries and Russia, even though the Ukrainian leadership stated until recently that such a situation cannot suit us. However, Yeltsin is not coming to Kiev, and apprehension intensifies due to the lack of clarity in the relations with Russia, in the division of the Black Sea Fleet, and in the repayment of Ukraine's debts for energy sources. Russia simply pushes Ukraine and the United States into each other's arms.

American legislators are perfectly logically raising the question of revising and shifting accents in granting U.S. assistance to Ukraine and Russia. As is known, until now, assistance was mainly channeled to Russia. However, Russia, striving to establish itself as the second superpower, shows a certain political unpredictability. Whereas Ukraine behaves as a predictable partner. Its position regarding nuclear weapons was consistent, and President Leonid Kuchma has remained determined to implement reforms despite all the internal political and economic problems.

During Bill Clinton's visit to Kiev, the Ukrainian-American relations were looked upon from two points of view. The first point of view concerns bilateral relations proper and economic cooperation. The second one deals with general European security. As Ukraine has made steps toward the United States in one block of issues — as already mentioned, regarding NATO — it expected reciprocal steps in assistance and cooperation on the part of the United States.

The United States did not keep us waiting too long. One of the important aspects is that President Clinton has recognized Ukraine as a state with a transitional economy. The Ukrainian delegation advanced this proposal during Leonid Kuchma's last year's visit to America. Now Ukraine must get a certain preferential treatment in the bilateral relations.

Clinton also promised to grant Ukraine an additional $300 million in technological assistance. The U.S. Export-Import Bank opened channels for Ukraine's short- and medium-term exports. Other possibilities for economic cooperation between the two countries were also agreed upon. In July, an international conference will be held in Chicago, and investment flows to Ukraine will be discussed there. It is common knowledge that large private business does not like to run risks. It only ventures to "master" somebody else's markets after the government gives it the "green light."

During the visit, the two sides also exchanged notes on issues of Ukraine's succession to documents signed by the former USSR and the United States. Ukraine recognized the validity of 38 bilateral agreements. This also lays a serious legal foundation for interstate relations.

Quite often, leftist political forces in Ukraine deny the need of "looking toward the West" and maintain that "it is historically more customary and handy" for us to look toward Russia. However, in this aspect, history has long since dotted its i's. Russia tried to impose its assistance on many Asian, African, and some other countries in their development. Whom did it really help? At the same time, results of American assistance are clearly visible in Germany, Japan, and countries of the Pacific Region. Do we really need to continue our "ideological double insurance" against U.S. assistance?

Politicians believe that the main result of Clinton's visit to Ukraine is the fact that the United States increasingly realizes the growing role of our state in the general political processes in the world. Perhaps, we look upon ourselves with excessive pessimism and stubbornly refuse to notice the good things that have already come to our life.

Economic Aspects of Peacekeeping Battalion Viewed

AU2305133795 Kiev MOLOD UKRAYINY in Ukrainian 19 May 95 p 1

[Commentary by Volodymyr Oliynyk: "Peace Costs Money, or What the Return of the Peacekeeping Battalion Home From Croatia May Lead To"]

[FBIS Translated Text] **As is known, the UN Secretariat does not find the further presence of the Ukrainian peacekeeping battalion in Croatia expedient. It is also known that the Ukrainian Foreign Ministry reacted to this painfully. The Ukrainian Foreign Ministry very swiftly disseminated a series of statements to the effect that such moods in the United Nations with regard to the Ukrainian peacekeepers will not promote a settlement of the armed conflict in Yugoslavia. It was particularly stressed that Ukraine has no strategic interests in the region and that the unbiased position of the Ukrainian battalion is highly appreciated by all parties to the conflict. All of this is so and a little different.**

The point is that Ukraine does in fact have its own, if not strategic, then trade interests associated with a peaceful and speedy completion of the armed conflict in former Yugoslavia. If somebody can explain the difference between such interests, strategic and external economic, then we might readily admit that there are no strategic interests. The reaction of Ukraine's Foreign Ministry mainly focuses on the fact that the presence of Ukrainian peacekeepers in Croatia is a factor that has a positive effect on the development of events in the region. Moreover, it is obvious that the renunciation of the services of Ukrainian peacekeepers does not suit Ukrainian Foreign Ministry officials who, at the expense of the military, have built up additional international prestige for Ukraine, even more than just that. As is known, the proposal to turn down the services of Ukrainian peacekeepers was, to put it mildly, unexpected for the Ukrainian Foreign Ministry; as a rule, talk of such actions starts well in advance at the UN Secretariat, and nobody makes much of a secret about it.

Yet, frankly speaking, I will not speak of what we have, but of what we lose if the Ukrainian battalion is withdrawn from Croatia. Let me recall that peacekeeping operations in former Yugoslavia are actively conducted by such faraway countries as Bangladesh, Jordan, Kenya, and Indonesia, as well as by European ones. You realize that these countries, just like Ukraine, are far behind in their contributions to the UN permanent budget. Participation in the peacekeeping forces cancels a part of the debt for these countries and besides, the servicemen get decent salaries. For example, for the presence of the Ukrainian peacekeeping battalion in Yugoslavia, the United Nations has paid Ukraine, on a monthly basis, $3 million to the account of Ukraine's Finance Ministry in a Western bank. As regards Ukraine's contribution to the UN regular budget, Ukraine, until recently, paid to it one-third of what the former Soviet Union used to transfer to the UN budget.

However, even after the USSR's disintegration, the United Nations established for Ukraine a share in accordance with the data of the former USSR Ministry of Statistics, and Ukraine, whose income is less than that of the Netherlands, has to pay five times the sum the Netherlands is paying. Ukraine's current debt to the United Nations constitutes almost $200 million. It is therefore not accidental that the question of withdrawing the Ukrainian peacekeeping battalion from Croatia will be a painful blow to the Ukrainian budget.

Nor should one forget yet another reason for Ukraine's interest in a peaceful settlement of the Balkan conflict and for its wanting to keep its battalion there. UN economic sanctions against former Yugoslavia are still in force. As a result, even by modest estimates, Ukraine has lost more than $4 billion. Incidentally, this sum would easily suffice to pay Ukraine's debt to Russia and Turkmenistan for consumed energy sources. However, when it comes to discussing compensation for Ukraine, which has sustained losses due to the introduction of UN sanctions, international financial organizations keep mum. Of course, the trust for such a form of the sanctions' "efficiency" has been ultimately undermined in Ukraine, and therefore the idea of lifting the sanctions that is openly proclaimed at the Russian Duma has so far concealed but true supporters at all levels of power in Ukraine. Ukraine has suffered particularly great losses since the ban was imposed on the transit of Ukrainian products through the territory of former Yugoslavia — I mean the shipment of metal and of iron ore by the Danube Steamship Company that, prior to the UN embargo, used to service almost 70 percent of all passengers and transport flows from and to Ukraine.

As Borys Oliynyk, chairman of the Parliamentary Commission for Issues of the CIS and International Ties, put it, the West resorts to double standards. Indeed, Western firms benefit from removing the Ukrainian competitor from the European market for an indefinite period of time.

One cannot say that Ukraine never raised the question of mitigating or lifting the sanctions. It did so back in July 1994 at the session of the UN Economic and Social Council and later also at other sessions of international organizations. However, this issue was just raised without much enthusiasm or certain demarches, and the question of compensation has never been looked into as though it never existed.

Now again, when somebody at the United Nations decides to send the Ukrainian peacekeeping battalion back to Ukraine, our diplomats only express concern suggesting that such a step will create a threat to peace and security in the region. It goes without saying that the economic question is also considered in this context. However, again, why not speak about this openly and explicitly, for we are not the most backward country in this world and as they say, seek, and ye shall find or the door will open to one who knocks on it. Nor should one forget that over the period of time that the Ukrainian peacekeepers have been within the UN forces in Croatia, 12 Ukrainian servicemen have perished and almost 50 have been wounded.

The Ukrainian Foreign Ministry officials must behave accordingly. We have really sustained great economic losses, and there is no price one can pay for human casualties.

Top-Level Negotiations on Black Sea Proposed

LD2305132695 Kiev UNIAN in Ukrainian
1140 GMT 23 May 95

[FBIS Translated Text] Kiev — Ukraine sent a proposal to the Russian side concerning division of the Black Sea Fleet, said Yuriy Serheyev, head of the Ministry of Foreign Affairs' information directorate, speaking at a briefing today.

He said Ukraine proposed to hold senior-level negotiations on the issue involving a top government official and the defense and foreign affairs ministers on each side.

"We have reached a point when a political decision must be made, but it requires clarification of positions at senior expert level," Serheyev said.

The final decision will be made by the countries' presidents.

The Ukrainian proposal is being studied by the Russian side.

'Disillusionment' With Russia Reflected in Poll

LD2305153295 Kiev UNIAN in Ukrainian 0830 GMT 23 May 95

[FBIS Translated Text] Simferopol — "Within which state would you like to see Crimea today?" This question was put to 1,047 respondents by the Crimean center for humanitarian research in May.

Of those questioned, 40 percent would like to see Crimea "within a single homeland." Last year 31 percent of respondents supported this view.

The number of respondents who would like to see Crimea as part of Russia fell from 43 to 34 percent compared with last year. The employees of the center consider that this can be explained by the electorate's disillusionment with the activities of the "Russia" bloc as well as by the decline in the Boris Yeltsin's rating in Crimea.

Thirteen percent of those questioned would like to see Crimea as part of Ukraine (up from 8 percent last year), and 13 percent of respondents consider that Crimea could be an independent state. This figure has fallen by 4 percent since last year.

National Affairs

Reported Kuchma-Moroz Confrontation Denied

LD2305135795 Moscow INTERFAX in English 1225 GMT 23 May 95

[FBIS Transcribed Text] KIEV, May 23 (Interfax-Ukraine) — A top parliamentary spokesman in Kiev has described as false media reports about a stand off between Ukrainian President Leonid Kuchma and Parliament Speaker Oleksandr Moroz.

Vasiliy Ivanina quoted Moroz as repeatedly saying there was no confrontation between Kuchma and himself, though he admitted that differences exist on certain issues.

Ivanina said the president and the speaker both work for the country's survival "in this difficult period" and to help carry out democratic reforms.

Local reports claim the two are at odds on some economic policy issues, including the privatization process.

Others reports claim the executive and legislature to be locked in dispute over a possible impeachment of the president and parliament dissolution.

Columnist Profiles Acting Prime Minister

WS2405103095 Kiev UKRAYINA MOLODA in Ukrainian 16 May 95 p 3

[Report by Svitlana Rastorhuyeva: "Yevhen Marchuk: Teacher by Education, Security Officer by Profession, Almost Prime Minister by Job"]

[FBIS Translated Text] Acting Ukrainian Prime Minister Yevhen Marchuk avoids interviews. Possibly, this is his professional habit. For almost 30 years, Yevhen Kyrylovych Marchuk worked in the department of "Iron Feliks" [Dzerzhinskiy] — the KGB, currently the Ukrainian Security Service [SBU]. For his contribution to the formation of the SBU, he was awarded a personal weapon; he was also awarded the Order of the Red Banner of Labor and seven medals.

Marchuk has now been charged with the task of forming and reforming the Cabinet of Ministers. Let us follow the career record of the man who, after having completed his duties in the "purge" of the Cabinet of Ministers personnel, may become Ukraine's new prime minister.

Appointing special service workers to higher state posts is not a novelty — the memories are still fresh of anecdotes about Yuriy Andropov, a champion of the secret services; more recently, [Georgian President] Eduard Shevardnadze and [Azerbaijani President] Geydar Aliyev have came to power, and are continuing to rule. Clever people, well informed and capable of predicting the development of events, were always available in the state security bodies, despite the fact that the major part of their potential was involved in fighting dissidents.

The novelty is in the fact that a special service expert took not the post of president, but that of prime minister, which, according to the CIS tradition, should be granted to "Gaydar-type" reformers or representatives of the managerial corps. Ukraine has so far preferred the latter, primarily valuing the ability to come to an understanding with rather insubordinate managers of mines, plants, factories, and — what is especially important — the military-industrial complex. It is important today to explain to miners why allocating subsidies to the mining industry is incommensurate with the title of an IMF-type reformer and what is the reason for chronic nonpayments of wages. It is such unrewarding tasks that usually fill the prime minister's everyday schedule; they may be called noble tasks of stabilizing the economy only in reports to the parliament.

Marchuk is not an economist. Neither in theory, nor in practice. After his graduation from the Pedagogical Institute in Kirovohrad in 1963, he should have become a teacher, but he joined the security services. It is not known why the graduate who specialized "in the Ukrainian language and literature, as well as in the German language" was recommended for a job in the state security services, but this turn of his fate proved decisive. Today Yevhen Marchuk has to take care of discipline, too, but not in a classroom, only in the Ukrainian economy.

Yevhen Marchuk has been building his career with the consistency and deliberateness of a peasant. From 1963 to 1965, he worked as an operation officer in the Cabinet of Ministers KGB Directorate in Kirovohrad Oblast; from 1965 — as a junior operations officer and, subsequently, senior operations officer, deputy department chief, department chief, and inspection chief in the KGB of the Ukrainian SSR. In 1988, Marchuk was appointed chief of the KGB Directorate in Poltava Oblast; in 1990 — first deputy chief of Ukraine's Committee for State Security. He headed the notorious KGB Fifth Directorate and, subsequently, the Ukrainian counterintelligence service. Given his job, he was capable of not becoming the number-one enemy of dissidents; his work in the KGB Fifth Directorate is rarely mentioned these days.

Yevhen Marchuk joined the Cabinet of Ministers in the times of [former Prime Minister] Vitold Fokin, before KGB Chief Mykola Holushko departed for Russia to assume the post of minister of state security, before Leonid Kravchuk was elected as Ukraine's president, and even before the first putsch. In June 1991, he was appointed minister for issues of defense, national security, and emergency situations; in November — chief of the recently renamed SBU. His candidacy was supported by parliament almost unanimously, even though the democratic deputies (such was their name at that time) made great efforts to appoint lawyer Oleksandr Yemets to the post of SBU chief. After they failed, Yemets joined the Party of Democratic Rebirth of Ukraine, while Marchuk headed the notorious service.

It was the time when certain results of his work became visible to the public eye — Marchuk began to focus attention on the press. He took charge of the state security services at a difficult time. Exposing KGB crimes to the people was at its highest peak — SBU headquarters on Volodymyrskaya Street in Kiev were facing the fate of the Stasi office in East Germany, which was ransacked by crowds. Rallies were organized right in front of the SBU office in Kiev.

Marchuk, however, to the great surprise of many, dealt with the situation and rescued the SBU and its best cadres from the people's wrath. He was also able to find common language with yesterday's dissidents, even with those formerly visiting him "on business."

Publications from those years paint a graphic picture of the circumstances under which Yevhen Marchuk had to rebuild the Ukrainian security services. Yesterday's fighters against dissidents had to "throttle their own song" and patiently watch as "exiles" from labor camps allowed themselves to hold scientific conferences on issues of national security. At one such conference, "national security expert" Levko Lukyanenko proposed a concept of the security services, while other dissidents discussed problems of the intelligence and counterintelligence services, as well as planned where intelligence agents should be sent and how to better use the experience of the Organization of Ukrainian Nationalists and the Ukrainian Resurgent Army in the SBU. Even more, they gave advice regarding the SBU cadres, and Yevhen Marchuk was obliged to listen to that advice. While rescuing the major case, he made minor concessions — as the result of a "purge" by a special Supreme Council commission, which examined personnel issues in the SBU, nearly 20 high-ranking officers had to resign.

Given these circumstances, Marchuk was able to enhance not only the SBU authority, but also that of his own. He began to distinguish himself against the background of garrulous politicians who continued to "broadcast" to crowds, not realizing that even crowds did not want to listen to them any longer. Marchuk's rating was primarily enhanced by his work capabilities.

In subsequent years, the most important points in Marchuk's record of services referred to his work on the Crimean problem and negotiations on gas with Moscow. Yevhen Marchuk, who was appointed deputy prime minister by Leonid Kravchuk and first deputy prime minister by Leonid Kuchma, can be called a minister for emergency situations. It was he who urgently settled "flops" of politicians and economists, in particular, by convincing Russia that it is necessary to restructure the Ukrainian debt. In January 1995, Marchuk headed the Coordinating Committee for Fighting Corruption and Organized Crime, but this has only slightly changed the direction of his work. In the first place, he has continued to ensure warm "gas" relations with Moscow. Taking into account that the warmth of these relations is directly proportional to the resources of the Ukrainian wallet, Marchuk had to exert every effort to prevent these relations from breaking off altogether.

The ability to find common language with anyone may seemingly be ascribed to the "pluses" of the current acting prime minister. Of course, it is better for a prime minister to be an economist and a diplomat simultaneously (both rich and healthy, as the saying goes), but the lack of economic experience and education is possibly the only "minus" of the strategist Marchuk, one of the most probable candidates for prime minister. It is interesting that, given his laconic manner of speech and "behind-the-scenes" manner of work, Marchuk's public rating is rather high. (This rating will undoubtedly fall if he becomes the prime minister and assumes responsibility for unpopular decisions of the government.) If he became just the prime minister, without the "acting" component in his title, he would have to think about changing his image — alongside with his professional abilities, he will need the ability to be attractive and acceptable "at home," with the general public. Our people, even though they do not usually make policies, sometimes oust prime ministers. True, they also oust presidents, even if these presidents give interviews three times a week and have the demeanor of a Hollywood star (this may be supported by the example of Leonid Kravchuk, who should have been born as an English queen, due to his wonderful talent for performing representative functions; unfortunately, he was capable of performing only these functions).

For the time being, Yevhen Marchuk is forming a new government. He is doing this in his usual way — without any extra publicity or leaks of information to the press. Newspapers report only on conjectures — primarily, regarding an essential purge in the Cabinet of Ministers' ranks, which could not been accomplished by either Masol or Fokin, and the reinforcement of the government by Marchuk's colleagues from his former job. Possibly, it will be the organizer Marchuk who will succeed in reforming the structure of economic management, after having granted much more independence to the regions. However, the question of whether Marchuk himself desires to take up the Sisyphean task of rescuing the Ukrainian economy, which is continuing its slide regardless of any efforts to prop it up, seemingly remains open. Marchuk himself has announced on numerous occasions that he has enough duties with his current job and that he does not intend to become Masol's successor.

The premiership may become both a next step and an end to his brilliant career: Until now, Ukrainian prime ministers, as a rule, were either pensioned or promoted to president.

He should also not forget that the best way for getting rid of a rival in presidential elections is to appoint him prime minister...'

Interview With Former-President Kravchuk

AU2405105295 Lvov ZA VILNU UKRAYINU in Ukrainian 16 May 95 p 2

[Interview with Leonid Kravchuk, former Ukrainian president, by Halyna Sakharuk, UKRAYINSKA PANORAMA correspondent: "When Kuchma Goes to Work, He Must Remind Himself That He Is No Longer the 'Pivdenmash' Director, but the Ukrainian President"]

[FBIS Translated Text] [Sakharuk] Mr. Kravchuk, in the last two years, at the beginning of the holiday season, political discussions regarding the Crimea have started. What, in your opinion, destabilizes the situation on the peninsula and what steps must the Ukrainian government take?

[Kravchuk] Two factors have caused the present situation in the Crimea. It is the coming to power of separatist leaders and the support their moods and ideas get from certain political forces in Russia. The "Russian factor" has played a decisive role, because even though it did not provide official guarantees, the propaganda campaign kept bringing it home to the people: "We will not allow anybody to harm you; we will support you; we are on your side." Everything started with an elementary violation of the Ukrainian Constitution and laws. The Crimean side further exacerbated the situation. The Crimean politicians are responsible for 95 percent of the difficulties that are arising now and which are hard to resolve. Knowing that it was a card in the game with Russia, those politicians deliberately opted for exacerbation. It is a crisis situation. The Crimea is an issue in the great policy, rather than a regional problem. The Crimea may become a catalyst for serious conflicts in the world. Nobody wants Ukrainian-Russian relations to be exacerbated.

For a long period of time, Ukraine's Supreme Council was very cautious, adopting decrees and setting deadlines that remained unfulfilled by the Crimea. And such a radical step now! I would now suggest making a political break in order to analyze and study the situation in detail. As regards the decision on the referendum adopted by the Supreme Council of the Crimean Autonomous Republic, this decision is illegal and Ukraine's Supreme Council must cancel it. We must give this some time and study the situation so that Crimean politicians could adopt well-balanced and correct decisions.

[Sakharuk] The Russian top leadership has lately been making contradictory statements on the further development of Ukrainian-Russian relations. Perhaps one of the reasons for that is the personality of the Russian head of state?

[Kravchuk] Yeltsin is a strong political figure, and he has control over Russia. I am not insisting that there are only positive traits, but as I compare the past and present Yeltsin, I can see that he has become more experienced and less caustic in his statements. If anyone says that he does not control the situation or that someone is manipulating him, this is not true. I was with him at table and in the woods and so on, and I can conclude that he is quite well informed. My attitude toward Yeltsin is critical, and I do not approve of some of his doings, in particular, in Chechnya. However, looking back to December 1991, when we met in Belovezhskaya Pushcha to think over the mechanism of dismantling the USSR, I come to the conclusion that even at that time, Yeltsin showed himself as a very determined person. He stated that Russia had to become a state and there could not be two presidents in Moscow — Yeltsin and Gorbachev. Had Yeltsin said "no" to changes, Ukrainian independence would not have lasted. That is why, at that time, it was important to persuade Yeltsin both politically and in terms of human principles to sign the Belovezh agreement. I went to that conference with the results of the Ukrainian referendum, when about 90 percent of Ukrainians voted for independence. My strategy was not based upon my personal aspirations, but upon the will of the nation, which said clearly and explicitly what it wanted. The situation was complicated: There were the Union and its president, there were the Communist Party, the KGB, and the army, and there were political forces, and we had to avoid a conflict. That was the main task. If it had been Ukraine alone that declared its withdrawal from the Union, nobody would have allowed this to happen.

[Sakharuk] During the election campaign, Leonid Kuchma used slogans that enabled some people to say that, if he wins, he will conduct a pro-Moscow policy. Mr. Kravchuk, why do you think this has not happened?

[Kravchuk] Having proposed Kuchma's candidacy for the post of prime minister, Ivan Stepanovych Plyushch [former Supreme Council chairman] and I cleared the way for him. No matter how talented he was as plant director, he would never have won in the elections in that capacity. Ukraine recognized him as premier. At that time, he recommended to me that we build close relations with Russia and be more radical in that direction. He recommended that both from the rostrum and privately. However, having become president, Kuchma also realized his historic responsibility before the people. When he goes to work in the morning, he must remind himself that he is no longer the "Pivdenmash" [Southern Machine Building Plant] director, but Ukrainian president.

[Sakharuk] Do you intend to put yourself forward again as a presidential candidate?

[Kravchuk] I hope that young and aspiring people will come to the political arena. It will be a matter of honor for me to help them. I did not consider myself fit to become the first president. However, if those who would bring misfortune to our state try to get into power again and may be elected, I will have no choice but to gather my old man's strength and go ahead!

[Sakharuk] Mr. Kravchuk, what road will Ukraine take in search of new security mechanisms?

[Kravchuk] I believe that if Ukraine agrees to sign a military-political alliance with Russia, the world will again be split into two blocs. The West realizes this. Ukraine is held in high esteem for its present course of military nonalignment. If it continues this prudent policy, then I believe that at the beginning of the third millennium, it will play a veritable role in the geopolitical situation. Today, it is very important for us to build close mutual relations with all of our neighbors.

'Independence' Symposium Advocates 'National Jihad'

WS2405084095 Dnepropetrovsk DNEPROVSKAYA PANORAMA in Russian 13 May 95 p 2

[Report by Ye. Krasykova: "One More Attempt at Displaying Force. The Second All-Ukrainian Conference of the 'State Independence of Ukraine'"]

[FBIS Translated Text] Statistics know everything and maintain that there are around 40 various political parties in Ukraine. The parties of the so-called far right wing advocate nationalistic ideas. The inhabitants of Kryvyy Rih had an opportunity to become familiar with the tasks, goals, and activities of a party, which calls itself the All-Ukrainian Political Association State Independence of Ukraine [DSU], at the party's second conference. The interior of the assembly hall of the "Oktyabrskoye" mine administration's Palace of Culture was decorated with slogans and posters: "The Ukrainian state above all," "Our profession is rescuing our fatherland, and we will perform our professional duty," and so on.

The fifth anniversary of setting up the political organization was marked with fiery speeches. In my opinion, the most fundamental and essential was the speech by publicist and political expert Volodymyr Yavorskyy (do not confuse him with Yavorivskiy): "The primary target of the independent Ukrainian state is the establishment of a truly independent state, the principal target of which will be the person of a Ukrainian nationalist as the utmost value of the Ukrainian nation. And nothing else. Everything, including the state, is not an aim in itself for us" — the political expert pointed out — "but an instrument which should comply with the demands of a Ukrainian nationalist."

The other ideas of the DSU are expressed by a triad of three aspects: Political, economic, and national-cultural. The minds of the entire population in the center, in the south, and the north should be filled with one idea — the Ukrainian nation as the utmost value. Kiev is the center of Ukrainian hearts. The nation should be monolithic and integrated; the state should be economically independent, and not only within the limits of one territory but within the limits of the entire nation. Therefore, it is not necessary to look long and far for opponents of the true well-being of our state's "number one nation." According to DSU ideologists, these are Russians ("Russia has a great culture, which could easily absorb the Ukrainian culture").

"Samostiynyks" [advocates of Ukraine's independence] are upset that all spheres of our activities are penetrated by the Russian mentality, and alien (?!) cultural values: People read books by Russian authors, watch Russian movies.... Thus, what shall we do? The answer to this question, according to DSU members, is at hand: It is time to squeeze the "alien" (Russia) out of our hearts. Ukraine only for Ukrainians!

Aggressive slogans were beefed up by no less aggressive threats of using force: We will be tough in critical situations, and a guarantee of our strength is the "DSU Guard" established two years ago. ("Our victories will incite the nation; it is time to squeeze the Russian nature out of the Ukrainians, by using fists we will get rid of the Russians' impudence in Ukraine").

Are not those slogans somewhat familiar? Even the tone is still alive in the memories of many of our readers.

Who and when were those extremely courteous young people granted the right to decide how and who can live in Ukraine? Is it not strange that the answer to this somewhat rhetorical question could be found almost in every speech. For instance, in the speech by "DSU Guard" Commander Volodymyr Stadnychenko: "We are the masters of this land, therefore we will set up our great nationalistic state. We will win. If we join our efforts we will manage to win our country's respect and the kind of love we need." [preceding passage in quotation marks published in Ukrainian]. Making an analogy to the Muslim world, the Dniepropetrovsk Oblast DSU organization leader drew even more reactionary conclusions: "The state can be unified only after a Ukrainian national jihad (war against infidels) is declared." Unanimity in such aspirations was confirmed by the leader of the Crimean Turkic Union.

Paraphrasing the well-known proverb, we could say: Tell me who the party leader is and I will tell you what kind of a party that is. DSU Chairman Roman Koval shared memories of his childhood with those present at the conference. It turned out that his father raised him in an atmosphere of hatred toward Russians, Poles, Jews, and Crimean Tatars. While his attitude toward the latter has somewhat changed within the last five years, Koval's general idea of the nations has remained unchanged. "Hatred gives rise to struggle, and struggle provides an opportunity to win," — said R. Koval after the conference ended, answering questions from reporters, leaders of other political organizations, and the public. We allow ourselves to doubt the truthfulness of this statement. Unfortunately, in the current situation when the basic laws — protecting the nation in general and some of its members in particular — are inoperative, this is the only thing we can afford in the country where the most reactionary ideas are being generated. (Information for thinking: The number of the DSU members continues to grow and at present amounts to 1,500 people).

Crimean Parties Urge Direct Presidential Rule

LD2305155195 Moscow INTERFAX in English 1237 GMT 23 May 95

[FBIS Transcribed Text] SIMFEROPOL, May 23 (Interfax - Ukraine) — The bloc of democratic organizations of the North Crimea asked Ukrainian leadership to introduce direct Ukrainian Presidential rule in the peninsula.

The appeal, published Monday [22 May], urged "immediately stop all powers of the Crimean Supreme Soviet," "liquidate" the post of the Crimean President and also cancel elections to the local organs of power in the autonomy, planned for June 25.

The statement also expressed anxiety over the "worsening of the political and economic situation in the Crimea".

According to the document's authors, the Crimean leadership "divide power and spheres of influence".

Legal Problems Concerning Crimean Referendum

LD2305203195 Kiev UNIAR in Ukrainian 1750 GMT 23 May 95

[FBIS Translated Text] Simferopol [no dateline as received] — Aleksandr Frolov, deputy chairman of the Crimean Supreme Council, held a meeting with heads of town and district councils and territorial election commissions of the autonomous republic. The meeting dealt with the forthcoming local elections and the Crimea- wide referendum set for 25 June.

While there was some accord on the issue of the elections, a lot of questions emerged on the issue of the referendum, especially in the sphere of forming the so-called general commissions and the central commission on the referendum. The elections are held in accordance with the current legislation of Ukraine but the referendum in accordance with Crimean legislation. According to the law of the old Crimean Autonomous Soviet Socialist Republic on referenda, only citizens of Crimea should take part in the referendum, but there is no such legal category yet. One needs a special interpretation of the Crimean Supreme Council.

The main problem though is the absence of funds. The Supreme Council estimates the cost of the referendum at 5,635 million karbovantsi. As Mr. Frolov noted at the meeting, "we have sent an enquiry to the Crimean government." However, as Deputy Prime Minister Arkadiy Demydenko noted earlier, the government will not agree to such expenditure.

One does not know whether Sevastopol, with its 150,000 voters, will take part in the referendum. As we know, the Sevastopol town council did not support the idea of referenda at its last meeting. The Crimean Supreme Council, as Frolov stessed, does not have a categorical attitude toward the resolutions of the Ukrainian Supreme Council of 17 and 31 March 1995.

"It is inexpedient as well to take the Constitution of 6 May as a basis," noted Mr Frolov. "However, all the issues concerning the preparing and holding of the referenda will be solved finally at the plenary sittings of the session, which begin on 24 May."

Crimean Communist Chief on Situation, Party

WS2405070095 Kiev VSEUKRAINSKIYE VEDOMOSTI in Russian 17 May 95 p 3

[Interview with Crimean Supreme Soviet Deputy Leonid Grach, leader of the Communist Party of Crimea, by Vladimir Kolychev; place and date not given: "A Social Revolt Is Close" — first paragraph is VSEUKRAINSKIYE VEDOMOSTI introduction]

[FBIS Translated Text] Crimean Supreme Soviet Deputy Leonid Grach, leader of the Communist Party of Crimea (KPK), is a well-known person in the [Crimean] Republic. Before the Belovezhskaya Forest Agreement [dissolving the USSR], he held the post of first secretary of the Crimean Oblast Communist Party Committee. He does not consider himself an "unbending Leninist," but does, however, claim that he has always been and remains a communist. Unlike many other Crimean deputies, Mr. Grach never changed his views, and he can easily be deemed as a representative of the "sober-minded party."

[Kolychev] Leonid Ivanovich, many famous Crimeans seceded from the [Communist] party in the momentous year of 1991. Take, for instance, former Crimean Supreme Soviet Chairman Bahrov, Samsonov, and others. You stayed. Why?

[Grach] In my opinion, the term "seceded from the party" cannot be applied to the aforementioned individuals. They defected and betrayed the party. For doing so, they were then expelled from the party by the currently functioning party committee. However, this is not a problem. The party's guilt lies in the fact that in the past, a party membership card served as a pass to a post. Even worse than that: Membership cards were referred to as "food rations," although such harsh terms must not be applied to rank-and-file communists, because the latter are innocent. Those people usually joined the party not to acquire a pass to a career, but for ideological reasons. In my opinion, those people did a lot to increase the prestige of both the party and the state. The party is primarily guilty of building a nomenklatura ladder, by which an entire army of apparatchiks were climbing to the top. At present, those who have betrayed the party are talking about reform and market relations much louder than anybody else. I, for one, do not believe them. They were raised by the administrative system and will never find the golden mean between market and state regulation. As a maximum, we may see the emergence of another bureaucratic class, which will be alienated from the national interests, as well as from the interests of the majority. It is even hard to tell now which force has won: Rukh? Communists? Anarchists? Anticommunists?

[Kolychev] Or perhaps socialists?

[Grach] I am not against the development of a social-democratic movement in Ukraine. However, this movement should, so to speak, originate in the masses. Meanwhile, what is the current Socialist Party? It is the same Communist Party behind a different shield. In fact, [Ukrainian Supreme Council Chairman] Moroz has created a party for his own needs. Otherwise, why has he abandoned the Communist Party? After I had been taught a couple of bitter lessons, I, too, could have kept quiet or gotten a job in any of the Crimean administrative bodies. I did not do that, though. I could not become a rascal in my own eyes.

[Kolychev] Do you not think that Oleksandr Moroz became a socialist out of tactical considerations, to save communists from the "artillery fire?"

[Grach] That was Leonid Kravchuk's strategic goal. We should pay tribute to him, for he is a brilliant man. It is sad that his wisdom did not work for the sake of the party. Kravchuk foresaw that the process will not be limited to the dissolution of the party. That is why he sent directives, including to Bahrov, to find a new shield for it. It was found. As a result, people were divided like some kind of cattle. The party's unity was destroyed, and its ranks scattered.

[Kolychev] The KPK currently comprises 54,000 members. According to recent sociological polls, the communists are supported by the largest group of Crimeans. Why?

[Grach] The answer to this question is obvious to me. Before August 1991, the Communist Party of Crimea was the "oldest" in terms of the average age of its members among the 257 oblast organizations of the former USSR. We had 42 percent of retirees. That is why the KPK has survived. Those people's experience, ideological aptitude, and faith helped us. The situation has changed since then. In April, we presented more than 150 membership cards to people below the age of 25. The process of restoring the party was by far not easy. The Pioneers [communist organization for schoolchildren] and the Komsomol, too, have been reinstated. More than 2,000 basic communist organizations are functioning in all Crimean towns and rayons. Some of them comprise 170 to 200 members. People believe us, because outlooks provided by our analytical centers prove true in most cases. The Crimean elections slated for 25 June will demonstrate the party's actual rating. One should not forget that the Damoclean sword of violence is still hanging above our heads. Still, we hope to overcome the current crisis in a peaceful manner. In my opinion, nationalists of all sorts will be pushed into the shade. In general terms, two classes are currently opposed to each other — the collaborator bourgeoisie and the people who have been thrown out into the street — workers, farmers, and others. What are the new bourgeoisie? They are criminals, representatives of the former nomenklatura, and the former bureaucracy, properly deemed as thievetocracy [vorokratiya]. We do not have entrepreneurs driven by nationalist interests in their activities. Thus, speaking about prospects, our society still has to drink its cup of poison. Disillusion will come, anyway. Even at this point, antagonism between the two opposing forces is so strong that trouble is closer than it seems.

[Kolychev] Do you mean another revolution?

[Grach] I mean a social revolt. Some Stenka Razin [Russian rebellion leader in 17th century] will appear and lead the people with clubs to destroy everything they can. However, here is what surprises me: Leonid Kuchma's relations with the Communist Party are currently very tense. All of a sudden, he began regarding us as enemies. Meanwhile, a leader of such high a rank should be tolerant to consolidate all political forces. When a leader takes somebody's side this amounts to rocking the social boat. So far, we have been playing multiparty games and we have not yet created the kind of force which would guarantee a balance of interests.

[Kolychev] What vision of Ukraine's future do you have?

[Grach] Paradoxical as it seems, Ukraine's future depends on its relations with Crimea and on how it will resolve the issue of its state structure: Will it be federative or unitarian? The very fact of Crimea's existence within Ukraine is a significant attribute of federalism. Until now however, the issue of the center's relations with the provinces has not been resolved. Delegation of powers is the essence of federalism. Much will depend on Ukraine's behavior with regard to its eastern neighbor.

[Kolychev] Ukrainian Civic Congress leader Bazylyuk claims that the Crimean issue will be automatically resolved after the unification of the three Slavic nations.

[Grach] This interpretation is wrong in essence. We are talking about creating a union of republics, every member of which would enjoy a supreme level of sovereignty. We cannot go back to the old Soviet Union. People would not put up with it.

[Kolychev] What is the current status of Crimean statehood?

[Grach] In fact, this is a myth. Thus far, Kiev has not delegated any powers to Crimea. In legislative terms, Crimea is an ordinary Ukrainian oblast. Why does Kiev not agree to better its relations with Russia? Because it has enough of coordinating all the issues with the white-stone capital [Moscow], which was the case in the old days. However these days, Simferopol, Lvov, Kharkov, and other regions are beginning to regard Kiev from the same perspective. Crimea is a very complex region in political terms, and Kiev should behave in a more tolerant manner.

[Kolychev] What is your attitude toward the Crimean presidency?

[Grach] I have always opposed it and I will continue to do so. As for Yuriy Meshkov, he is a champion of the moment. He has squeezed everything he could from the Russian idea. His arrival was triumphant, and one could congratulate him on his success: A Simferopol-level politician won confidence of a majority of Crimeans. The only thing, which Yuriy Meshkov managed to "create" is the "Simferopol-Kiev-Moscow" political Bermuda triangle.

[Kolychev] What could you say about the Crimean Supreme Soviet chairman?

[Grach] Frankly speaking, I do not see a man capable of uniting and leading such a motley and complex legislature as the Crimean Supreme Soviet.

[Kolychev] However, there is a man capable of leading the Crimean Government.

[Grach] The Franchuk government is a product of a deputies' plot. Please, do not forget that Anatoliy Franchuk acted as a very hospitable host when receiving Saburov; he took the latter to many enterprises and wineries. He and Saburov used to work in the same government, and logically, Saburov's dismissal should have amounted to the dismissal of Franchuk. Nevertheless, Franchuk survived. As for the current realities, the Ukrainian president has found himself in dire straits. The fact that Kuchma and Franchuk are relatives hampers the development of relations between Kiev and Simferopol. Those relations have acquired such an acute character that a conflict can easily spark up. That is why, Leonid Kuchma should find a post for his daughter's father-in-law somewhere in Kiev, while the Crimean Cabinet of Ministers should be reinforced by someone else. We should keep in mind that Kuchma has political opponents not only in Simferopol, but in Kiev, too, and they will indubitably make use of his relationship with Franchuk. I will say more: If I were Kuchma's relative, I would resign, because the prestige of a deputy prime minister in small Crimea is incommensurate with the prestige of the Ukrainian president.

[Kolychev] What is your opinion about the future of the Kiev-Simferopol axle?

[Grach] If Moscow does not interfere harshly Kiev will disband the Crimean parliament, thus making a strategic, and perhaps irreversible mistake. I believe that it would be better for the Ukrainian Supreme Council to rescind its decision on the Crimean Constitution. The constitution can be kept as it is, and only the clauses that run counter to the Ukrainian legislation should be abolished. This would remove the issue of the [Crimean] referendum, because the latter is primarily playing on national sentiments.

Belarus

World Bank Assesses Belarusian Oil, Gas Industry

LD2305145695 Moscow INTERFAX in English 1225 GMT 23 May 95

[FBIS Transcribed Text] MINSK, May 23 (PIA-Interfax) - A World Bank mission assessing a project to develop the Belarusian oil sector has outlined a number of priority measures. The World Bank will grant Belarus a loan of $25 million to finance the project.

A source in the government informs that the World Bank mission will arrive in Minsk later this month with a memo compiled on the basis of research conducted last February and approved by the World Bank's management just recently.

The WB mission says that preparations for the project to develop the Belarusian oil industry have been successful and its technological, economic, financial and ecological aspects will be finalized within the next two or three months.

The cost of the project to modernize the Belarusian oil industry is estimated at $42 million. It foresees the development of managerial structures, minimizing environmental harm, more effective oil extraction and modernization of the gas-processing plant.

A senior Belarusian Oil and Gas Ministry official has said that Minsk will step up efforts to improve the market mechanism in the industry, one of the basic conditions on which the World Bank agrees to extend the loan.

The Belarusian government has confirmed its intention to continue the privatization and the turning into joint-stock companies of oil industry enterprises.

Belarus and the World Bank are reported to have agreed on a timetable to draw up the project. The mission is to produce its tentative evaluation of the oil and gas development project by the end of May, the terms of the loan will be negotiated in July, a request will be submitted to the Board of Directors in August-September and the loan will take effect in November-December.

Detailed Results of 14 May Elections Viewed

WS2405090595 Minsk BELAPAN in English 1300 GMT 23 May 95

[Commentary by Lew Krivitski: "The President Has Begun To Win" — from the "Analysis, Commentaries, Forecasts" feature]

[FBIS Transcribed Text] The main result of the referendum initiated by President Lukashenka was complete victory for the president's plan of action and the shattering defeat of the democratic forces opposing him, defending the national and state independence of Belarus. As the president himself had calculated, the result of the referendum, which had been planned earlier, also affected the parliamentary elections, determining the victory of people capable of standing out in the legislative sphere and implementing what the electorate voted for in the referendum: to "hand over" national sovereignty as soon as possible in exchange for material well-being, which is promised only from Russia. This self-deception of the voters gave rise to the results of the first round of the parliamentary elections, and it is very possible that it will also determine the results of the second round. According to preliminary data from the Independent Institute of Social-Economic and Political Research, into the second round have gone 87 representatives of the Party of Communists, of them 51 took first place in their district, prevailed exactly frenzied idealistic communists, who could not and did not want to give up their principles that were disproved by life itself. Of the three famous leaders of the Belarusian communists, defeat was suffered by more moderate Viktar Chykin, whose program envisages "free competition" of elements of socialism with elements of capitalism. Two others — Syarhey Kalyakin and Vasil Novikaw — went through into the second round with an outstanding majority from other rivals and are sure to be victorious in the second round. Such a result of the election will result in the defeat of "Chykin's policy" in the communist movement of Belarus and the triumph of the "Kalyakin-Novikaw policy" proposing the establishment of planned economy and gradual abolition of even the rudiments of private ownership.

In second place after the communists, according to the number of candidates put through to the second round, came its ally in the "left bloc" — the Agrarian Party. Of 42 agrarians who went through into the second round, 21 came first in their district, 21 second, and 4 candidates have already been elected. The Belarusian Popular Front [BNF] fell badly behind the "left" forces, 36 of whose candidates went through into the second round. Of them 22 came first in their district, and 14 second. Its ally in the "bloc of democratic forces", the Belarusian Social Democratic Hramada, advanced a total of 8 candidates to the second round, of them 6 came first in their districts and 2 — second. Democrats from the bloc "Civic Concord," although not making any impressive achievements, gained opportunities to expand their representation in parliament. From the Party of People's Concord [PNZ], 10 candidates went through into the second round, of them nine came in first place and one — in second in their districts, and one of the members of the PNZ has already been elected. He is Pyotr Zhumsha, assistant to the chief of the control service of the president. The United Democratic Party forwarded seven candidates into the second round, of them five came first and two second in their districts. The approximate relation between the "left" and "right" forces has been estimated at 129:63.

In this way, the parliament which is to form the legislative base of the life of Belarusian society until the year of 2000 may be even worse than the parliament which was in power in 1990-95. If the aggressive-obedient majority of the former parliament comprised economic leaders and the leaders of the organs of power, in all cynicism quite realistic and pragmatic, then now their place will be taken up by "idealistic" communists, capable of taking the state life of Belarus to complete absurdity. In the long-term historical perspective, this may even be a good thing, as it will determine the complete defeat of the communists and their allies in the next elections. But what such "father-lawmakers" may get up to in their allocated period does not bear thinking about. The population of Belarus will have to endure deprivations and national disgrace in abundance, before the electorate comes down from the totalitarian drug.

Even if the second round has surprises in store, it is already clear that the communist faction in the new parliament will be very strong and its influence will be enough to definitively put a stop to its hated "bourgeois reforms." But the opposition will also become, it should be said, wider and more qualitatively diverse than in the former parliament. If in the former Supreme Soviet the United Democratic Party was represented only by MP Spihlazaw, now liberal reforms will be championed, evidently, by no less than five people, including leader of the party Alyaksandar Dabravolski, his deputy Mr. Katsora, talented lady-economist Ms. Hryaznova, among others.

Ten representatives of the PNZ also have good chances, including its leader Henadz Karpenka, former premier Viktar Hanchar, and others. Evidently, the faction of the Social Democratic Hramada will decrease: Instead of the 14 people in the old Supreme Soviet, only six will remain. The number of the BNF faction, it seems, will also be reduced, and at best they will remain as before. Mr. Paznyak, his deputy in the party Mr. Khadyka, Mr. Zablotski, Mr. Navumchyk, Mr. Belyankiy, Mr. Hyunter, and Mr. Antsulevich still have good chances. One extremely significant fact is the defeat of the candidates of the pro-Russian parties — the Slavic Assembly and the Liberal Democratic Party.

So, in Vitebsk, on which it was laying its greatest hopes, not one of their 11 nominees reached the second round. Then in Vitebsk in the second round all eight of their potential allies went through into the second round — the candidates of the PNZ. According to prognosis of Alyaksandar Abramovic, chairman of the Central Commission for Elections and National Referendums, 15 percent fewer voters will go to the second round of the elections on 28 May than went on 14 May. We suggest that there will be even less, and no more than 150 MP's will be elected. And the new Supreme Soviet can only start its term of office, if a minimum of 174 MP's are elected. So a stalemate situation is completely possible. And it will be the defeat of the president.

Absence of 'Radical Economic Reform' Viewed

WS2405093095 Minsk BELAPAN in English
1300 GMT 23 May 95

[Commentary by Uladzimir Kulazhenka: "A One-Sided Monetary Policy Cannot Bring an End to the Crisis in Belarus" — from the "Analyses, Commentaries, Forecasts" feature]

[FBIS Transcribed Text] In the reform of the economy of the Republic of Belarus recently more and more stress has been laid on a monetary policy and attempts to overcome the economic crisis, whose peculiarity is not overproduction, but the continuing fall in all branches of the national economy. The monetary policy in production appears in such forms as the artificial support of the exchange rate of the Belarusian ruble — granted, it is not known for what sake — unrestrained growth of taxation, holding back credit emission, the weakening of the financing of commercial banks up to complete stoppage, and so on. There are many types. But the problem is that their effect is only relative, and more accurately, almost negligible. Why? World experience (especially the experience of Eastern European countries) demonstrates that all successful reforms have the same organizational structure. This is:

a) microeconomic liberalization — the removal of limitations on the development of private firms and control over prices, the introduction of converted currency, the absence of limitation on foreign trade, and so on.

b) macroeconomic stabilization: This is the regulation of combined supply and demand, restructuring, the dismantling monopolization, the regulation of investment, the struggle against unemployment (a higher effectiveness of such resources as labor), and so on.

c) institutional changes: These include the privatisation of state enterprises, a refrain from administrative forms of management, the creation of diverse infrastructures, the organizational reconstruction of the agricultural complex.

If one turns to this structure and considers which of its sections are linked with monetary policy, then it becomes apparent that, on the whole, it is only with microeconomic liberalization and partially with macroeconomic stabilization. Unfortunately, it has no contiguity with the fundamental reorganization of social institutions, or privatisation, the formation of a multitiered, competitive economy. Meanwhile, world experience has shown that without institutional changes at the expense of so-called financial stabilization — and attempts to achieve it in the Republic are evident — and liberalization (fragments of which are also here) only a temporary and partial stabilization can be achieved like the so-called stabilization of the exchange rate of the Belarusian ruble. A one-sided monetary policy cannot bring an end to the crisis in Belarus. It was not successful in Russia, when Yegor Gaydar tried to stabilize the economy of the country with market levers of monetarism in a still nonmarket economy three years ago. The result was such that it is difficult to say whether the monetary policy caused more harm than good.

A monetary policy in Belarus at the moment is demonstrating only its weakness — and for the same reason of the lack of a third component of market reformation privatisation has been brought to a halt, there is no struggle against monopolism in the economy, a real market infrastructure is not being created, the vertical or administrative method of managing the national economy has not been weakened, but strengthened. As a result, the fall in industrial production is continuing. So, in 1992 it declined by 10 percent, and in 1993 — 26. The fall in production has still not been stopped even in 1995. In the first quarter it was 20 percent.

Meanwhile, in those postcommunist countries where complex reforms are being carried out, even with methods of shock therapy, the crisis has already been overcome. In 1994 the growth of the GDP was 20 percent in Lithuania, 3 percent in Latvia and the Czech Republic, and 5 percent in Estonia and Poland. And in those countries where the economy is being manipulated, and old habits and forms of management which suit the administrative elite are dying hard, even this year the fall in the production of the GDP is predicted thus: in Azerbaijan by 10 percent, in Kazakhstan by 12 percent, in Turkmenistan by 5 percent, in Uzbekistan by 4 percent, and in Belarus by 7 percent.

One example of the ineffectiveness and the unfruitfulness of monetary policy during the process of institutional reformation is the affect of this policy on the agrarian-industrial complex [AIK] of Belarus. In 1994, trying to stabilize the state of affairs in the AIK and not to allow the drop in production in collective and state farms, the government sent 90 percent of all centralized credit to the agrarian sector — more than 500 billion rubles [R]. And in addition the National Bank specifically sent the Belarusian AIK half of all its credit resources. While for long term credit all branches of the national economy were assigned only R19 billion.

What were the results of these actions? Statistics for 1994 showed that over last year the production of the gross product in all categories of farms still decreased by 14 percent, the quantity of tractors manufactured decreased by 6.1 percent, cargo trucks — 6 percent, and combine harvesters — 5.4 percent. Only 39.5 percent of the necessary mineral fertilizers were acquired. Consequently, credits and financing did not only not stop the decline, but did not even render a stabilizing affect on the material-technical base of collective and state farm production. The main capital in collective and state farms, as apparent, even started to dissipate. Even now 80 percent of the resources of the state serve market production, which only aggravates the financial crisis. Price "scissors" — as before — are in action. On one liter of milk alone they "shear" off R1,000 from agricultural farmers. In reaccounting on the annual scale of production this amounts to R5.5 trillion. Which means that one can judge by this figure that in the sphere of the financial turnover of the country now there are R6.5 trillion.

Meanwhile, the monetary policy of the state, as the president announced in his latest television interview, will be strengthened. Credit emission will be limited. A policy of positive interest rates will be implemented. The interest rate of refinancing will be supported by the National Bank. Tough taxation policy will remain unchanged, pumping the working assets of enterprises into the state budget. Everything will take its own course. In this plan there is no place only for radical economic reform. Therefore the efforts of the government and the National Bank will not yield the desired effect. It will not be possible even to maintain the former exchange rate of the Belarusian ruble. Commercial banks will sharply reduce the exchange of hard currency into rubles. A currency crisis is approaching. For the exchange rate of any monetary unit is determined not by any one single factor, but a whole system. Among them are the scale of national income and the level of production expenses. The former is falling in our country, and expenses, on the contrary, are rising: the real purchasing power of money, the level of inflation in the country.

Inflation in Belarus, as known, has still not been overcome as well as the state of the balance of payments, influencing the supply and demand of currency. With the deficit of the balance of payments it is impossible to support a constant exchange rate of the ruble, the level of interest rates in the country, the trust in the national currency in the world market. Unfortunately, one cannot assert that these facts will be taken into account by the leadership of the country when they determine the exchange rate of the Belarusian ruble.

Moldova

Zatulin Wants Russia To Guarantee Dniester Security

AU2305160195 Chisinau INFOTAG in English 1930 GMT 22 May 95

[FBIS Transcribed Text] Chisinau INFOTAG, 22/5/1995 — Despite the diverse positions that the Russian parliamentarians that visited Moldova last weekend have, nevertheless, one opinion in common: The main point for Russia is to guarantee peace and security in this region, Konstantin Zatulin, head of the Duma delegation which visited Moldova, said at the Chisinau airport today in his farewell remarks.

"First and foremost, we should provide for a complete clarity as to how to utilize the ammunition which are not subject to transportation, as well as to transportable ones. Among other things, an agreement with the Ukrainian side will be necessary," he said.

Secondly: The presence of the 14th Army permits the joint peacekeeping forces to act without any complications, Zatulin mentioned, and voiced satisfaction about the Moldova's opinion that "General Lebed [commander of the 14th Russian Army deployed in Dniester] should be the last one to leave the region — with the Army's banner in hand. At the current stage, Moldova views as quite acceptable the fact that General Lebed controls the situations. His presence in Tiraspol is an important factor of stability," Zatulin said.

As for the Dniester settlement in general, he believes both sides have substantial reserves for advancing towards each other. "Annoyingly much time has been lost during 1995, but this can be justified by the necessity to weigh everything carefully by both sides," Zatulin said.

Moscow Delegation Warns of Dangers of War

AU2305142995 Chisinau INFOTAG in English 1930 GMT 22 May 95

[FBIS Transcribed Text] Chisinau INFOTAG, 22/5/1995 — On the invitation of the Moldovan Parliament, a representative delegation of the Russian State Duma has paid a three-day working visit to the republic. Mr. Konstantin Zatulin, chairman of the Duma's Committee for Contacts with the CIS States and Compatriots, said last Saturday upon arrival to Chisinau that the aim of the delegation, which included representatives of practically all parliamentary factions and groups, was to study the situation in Moldova on the eve of parliamentary hearings in the Duma dedicated to the 14th Army and Dniester problem.

Zatulin said to INFOTAG that "Russia is extremely interested in stability in the region, and will promote further stabilization of the situation. It so happened that this strip of land had become the focal point of Dniester, Moldovan and Russian interests, with Romania, Ukraine and some other countries of the region being very sensitive to the local developments, too. In case a new armed conflict bursts out here, as General Lebed [Aleksandr Lebed, commander of the 14th Russian Army deployed in Dniester] is warning, a large-scale war will be inevitable. That must not be allowed, particularly if one bears in mind the tremendous arsenals of the former Soviet South-Western Strategic Direction Forces, the arsenals which will be very difficult to evacuate," Konstantin Zatulin said.

Sangheli: Key to Dniester Conflict Lies in Moscow

AU2305160395 Chisinau INFOTAG in English 1930 GMT 22 May 95

[FBIS Transcribed Text] Chisinau INFOTAG, 22/5/1995 — The key to solving the Dniester conflict is in Moscow, Prime Minister Andrei Sangheli said on Monday [23 May] receiving the State Duma delegation. In his words, the 14th Army Command restructuring is a Russian internal affair, but a common sense should be observed at solving the Dniester dispute. "General Lebed [commander of the 14th Russian Army deployed in Dniester] should be the last one to leave the region — with the Army's banner in hand," the prime minister said, having pointed out that with Lebed's presence the situation in the region in general and the Army arsenals in particular are under a reliable control.

Sangheli expressed regret about the armed conflict which took place in 1992, and spoke for its gradual and patient settlement, without any possibility of criminal structures to come into possession of the weaponry.

The Parliament's deputy chairman Nicolae Andronic said to Konstantin Zatulin [head of the State Duma delegation] that the Dniester conflict was the "heritage" left by the previous Moldovan Parliament. The current Moldovan leadership proceed from the assumption that Moldova should grant a special legal status to Dniester, while Tiraspol leaders are insisting on signing a treaty on the division of plenary powers between Moldova and Dniester.

Nicolae Andronic has reminded that Moldova and Russia have no juridically fixed relations, because the Russian Parliament has not yet ratified the framework Bilateral Treaty and the Army Withdrawal Agreement. On which Zatulin replied that President Boris Yeltsin had not submitted the documents for Duma's consideration.

In Andronic's estimate, the Dniester leaders are looking forward to the elections to the State Duma, hoping that USSR-restoration forces will come to power in Russia.

OSCE Envoy Arrives for Settlement Talks

LD2305151095 Moscow ITAR-TASS in English 1458 GMT 23 May 95

[By Valeriy Demidetskiy]

[FBIS Transcribed Text] CHISINAU, May 23 (Itar-Tass) — Personal representative of the OSCE Chairman Istvan Gyarmati arrived here today to study the republican situation and progress in negotiations on Trans-Dniester settlement held in Chisinau with the mediation of the OSCE mission and a personal representative of the Russian President.

The three-day stay will include meetings with Moldovan and Trans-Dniester leaders and representatives of the expert group for special status of the Trans-Dniester region.

The negotiations on the status were begun last year by Chisinau and Tiraspol and recently slowed down. A meeting of Moldovan President Mircea Snegur and Trans-Dniester leader Igor Smirnov has been postponed for three months in a row. The work of expert groups have been suspended as well. The sides accuse each other of unwillingness to reach a compromise on subordination of Trans- Dniester "power" structures to Chisinau and withdrawal of the Russian 14th Army considered by Tiraspol as a guarantee of stability.

Lebed on Prospects for Chisinau-Dniester Talks

LD2305171995 Moscow ITAR-TASS in English 1652 GMT 23 May 95

[By Mikhail Shevtsov]

[FBIS Transcribed Text] MOSCOW, May 23 (Itar-Tass) — A total of 49,476 pieces of fire arms which is enough for four divisions, 805 artillery systems, 655 armored vehicles and about 4,000 trucks are kept at storages of the Russian 14th army in the Trans-Dniester region.

"This is quite enough to turn 4.5 million-strong Moldova into Groznyy. I will not allow anyone to steal these arms," 14th army commander general Aleksandr Lebed told parliament hearings on situation in the 14th army and prospects for peaceful settlement in the Trans-Dniester region here today.

The general is skeptical about prospects for direct Moldovan-Trans-Dniester negotiations. In his words, "the negotiations are not in progress, and will not be held." According to the general, the only machinery capable of solving any task is the 14th army command which has full control over the regional situation.

Lebed read out extracts from the law of the Moldovan Trans-Dniester Republic "On Introduction of Changes and Amendments in the Law on Status of Russian Troops Stationed on Republican Territory." The law says, in particular, that "in case of agreements on withdrawal of Russian troops and in case of their disbandment, the materiel, armaments, ammunition, movable and immovable property shall be owned by the Moldovan Trans-Dniester Republic." In the opinion of the general, this law makes him "a lackey" of the Trans-Dniester leaders and Lebed does not plan to put up with this. In its turn, the Moldovan side wants the agreement to be signed, since it would have 35 percent of the army arms, ammunition and property in that case.

Lebed told correspondents that this main and only task is to "overcome the difficult situation the army is in."

Lebed Leaves for Duma Withdrawal Hearings

AU2305165295 Chisinau INFOTAG in English 1930 GMT 22 May 95

[FBIS Transcribed Text] Chisinau INFOTAG, 22/5/1995 — The Russian 14th Army commander, Lieutenant General Aleksandr Lebed, was staying in full uncertainty about his going to Moscow to attend the hearings in the State Duma — till Monday morning [22 May].

A few days ago, Lebed — who was in a hospital at the moment taking a course of treatment — received a personal invitation from Ivan Rybkin, the State Duma's chairman. Last Sunday, the State Duma's delegation came to Tiraspol, and was met at the Army Headquarters gates by local picketers protesting against Lebed's possible resignation.

Aleksandr Lebed met with the Russian parliamentarians, and confirmed his strong disagreement with the ministry's decision to restructure the Army Command. This measure, in his opinion, will lead to paralysis of power in his Army, which is fraught with stealing out the weaponry and unleashing a new war.

In his words, the 14th Army's arsenals are a sweet dream of many military groups, including Ukrainian ones.

Lebed pointed out that Dniester President Igor Smirnov is failing to keep the situation in the region under control, and, according to the Army's intelligence service, Smirnov is a placeman of Mafia structures.

"I am not afraid of losing my present position, and I am ready to leave Grachev's armed forces even today. But so far, I haven't found a single man to replace me who would undertake the burden of responsibility for local people's fates. The military stores near the village of Colbasna alone contain 500 freight cars worth of ammunition, and in case a single stray projectile hits the arsenals, all cities and villages will disappear from the face of the earth in the radius of dozens of kilometres," Lebed said.

Konstantin Zatulin [head of the Duma delegation visiting Moldova] has stated to journalists in Tiraspol: "My personal point of view is: The 14th Army is much more difficult to withdraw than to leave here... I think, we must in no case ruin the existing balance of forces in the region. The fact that there is no bloodshed here at present is largely thanks to the 14th Army's presence. To my mind, the Army should stay where it is now."

14th Army Commander Alexander Lebed left for Moscow today, together with the State Duma delegation which paid a three-day working visit to Moldova.

Lebed arrived at the Chisinau airport together with his wife, his beloved dog, and accompanying officers, and stated to journalists that he had no idea about who personally ordered him to fly to Moscow and participate in the Duma hearings.

Lebed views his main aim of staying in Dniester is "to safeguard peace in the region. To withdraw the Army, it is first necessary to create appropriate political, economic, and technical conditions. We should work out an all-comprising formula of how to make safe the mountains of weapons, and the withdrawal process will not take too much time," he said.

"General Lebed shall come back to Tiraspol in any case — even on foot, if need be," he assured. He said, his departure is very desirable for Tiraspol, but very undesirable for Chisinau. "These heaps of weapons need a reliable force to look after, until a comprehensive decision about them is found, and appropriate mechanism of its implementation is worked out," the general said.

"I do not mean any insult, but it seems to me that as long as Snegur and Smirnov are at power, the crisis will not be solved: both gentlemen are stained with blood, and they will never wash it off. New leaders and new approaches are necessary for pushing the matter from the dead point. Till the new elections, the political negotiation process will be very slack and will lead to nowhere, for the sides will be suggesting definitely unacceptable conditions," Lebed said.

Diaconu To Represent Chisinau at Duma Hearings

AU2305165395 Chisinau INFOTAG in English 1930 GMT 22 May 95

[FBIS Transcribed Text] Chisinau INFOTAG, 22/5/1995 — A Moldovan parliamentary delegation headed by the chairman of the Moldovan-Russian Interparliamentary Group, member of the Parliament's Permanent Bureau, Andrei Diaconu, left for Moscow today to take part in the hearings in the Russian State Duma.

The Moldovans went in one airplane with the State Duma delegation headed by Konstantin Zatulin and Aleksandr Lebed [commander of the Russian 14th Army deployed in Dniester]. A source in the Dniester administration has reported that a representative Tiraspol delegation had already left for Moscow, with a view to have meetings with Duma's various factions beforehand, seeking to direct the debates into a desirable course, and to avoid the 14th Army removal.

Konstantin Zatulin said to INFOTAG that Defence Minister Pavel Grachev was very negative about Lebed's intention to attend the hearings. That is why the State Duma sent one more letter of invitation to Aleksandr Lebed Friday night [19 May], and a letter to Pavel Grachev with a request to permit the lieutenant-general to come to Moscow. As on Monday morning, no reaction followed from the defense minister.

Konstantin Zatulin expressed regret that the existing contradictions between Lebed and the ministry may hamper tomorrow's discussion in the State Duma.

Dniester Republic President Interviewed

MM2305152395 Moscow SOVETSKAYA ROSSIYA in Russian 23 May 95 p 3

[Interview with Dniester Moldovan Republic President I.N. Smirnov by Olga Kozlova; date, place not given: "Living Flowers Upon the Armor"]

[FBIS Translated Text] [Kozlova] Igor Nikolayevich, please tell me what mission brings you to Moscow?

[Smirnov] The main purpose of our delegation's trip is to legally formalize a joint joint-stock company with "Rosgaz." A trilateral agreement has been concluded. It is signed by representatives of the Dniester Moldovan Republic, Russia, and Moldova. So you can grasp the economic significance of this document, I will note that each day's delay in concluding it (the work of our industry and the development of the social sphere depend on it) cost us $700,000-800,000. You know that today all the former Union republics owe Russia money for gas.

Our other task is, together with "Rosgaz" enterprises, to give a boost to the development of our agriculture and industry. I must note that Moldova has delayed resolving this question, to put it mildly, because it is connected with the most important point: To whom does property in the Dniester region belong? I think that the signing of this document in Moscow marks nothing less than Chisinau's recognition of our rights to property on the territory of the Dniester Moldovan Republic.

In additional, we examined a number of matters that are to the advantage of both "Rosgaz" and our region (and not only our region), in particular, payment for energy resources, bringing tariffs into line with actual expenditure, and so forth.

I am pleased that we can now boost the development of our economy without attracting foreign capital. We are prepared to settle accounts with Russia for our property, but only with Russia. This is the main reason why Moldova delayed signing this agreement. For this it is receiving constant investments from the United States, which wants to squeeze Russia out of our region.

The complexity of our task also lay in deciding how to preserve the great wealth of potential that the Dniester Moldovan Republic has. It must be borne in mind that 80 percent of our commodity production goes to Russia, or, to be more accurate, the republics of the former Union. This is very attractive to us.

[Kozlova] Why did Moldova sign the trilateral agreement?

[Smirnov] Today it owes "Rosgaz" approximately $150 million or more. It has to pay. In property, if there's nothing else. This is the difference between our approach toward resolving this matter and Moldova's. We were prepared to take this step, but they weren't. Nevertheless, the parliament in Chisinau decided to set up a joint company in which Russia has 50 percent plus a "golden share." As you know, the main gas pipeline and all the pumping stations belong to us. But we have absolutely no objection to everybody using this system. We are now paying Russia for gas at world prices as a foreign state. I think that in time we will also achieve a positive solution of the question of prices and payments.

[Kozlova] Doesn't the signing of this agreement signify a change in Chisinau's position regarding the Dniester region?

[Smirnov] I don't think so. In this instance the economy is simply dictating a political decision. After all, Russia and "Rosgaz" have no need of Moldova and its transport system without us. That is point one. Two, it also pays for gas, and this agreement is also to its advantage. This is common sense. Especially as now there is a general decline in production in West Europe and in Turkey, to which we supply power.

During our stay in Moscow we visited the State Duma and thanked the deputies for adopting the decision on the 14th Army and the situation in the Dniester Moldovan Republic. It was important for us to see how the hearings on the question of this army's withdrawal from the Dniester region should go in parliament. This is a painful issue for us, you know. When the discussion turns to the withdrawal of the 14th Army, some people push to the fore the problem of military property. This is understandable: It is advantageous for the West to present the problem in this light. But I must say with the utmost responsibility: The point lies elsewhere. It is a question of Russia's presence in the region. A multinational people live in our republic: Russians, Moldovans, Ukrainians, etc. At our recent referendum they clearly said: "No to the withdrawal of the army."

Our people regard themselves as Russian, cannot conceive of life without Russia, and would not object if Russia took this army under its jurisdiction, because it is Russian. There would be no problems. The most paradoxical thing is that the army is in the Dniester Moldovan Republic, we spend money on maintaining it — housing for servicemen alone costs us about 30 million. But that is not the point, for we consider ourselves eternally in Russia's debt. If the Union has disintegrated and each people are getting a certain portion of the common Union fortune, should the Dniester people get their share or not?

Our position is this. We are in favor of a Russian presence in the region and say so openly, although we attract the displeasure of the United States and certain other states, which do not want Russia to be a powerful and strong state. And at the same time we are forced to create our own army. We now have it, it is probably the same as the 14th Army, the only difference being that we are setting it only defensive tasks.

[Kozlova] Hearings in the State Duma about the withdrawal of the 14th Army are planned for 23 May. What do you expect of them?

[Smirnov] We hope that at long last they will help shed some light on the true situation in the Dniester region and to clear the barriers of lies and filth piled up around our republic. I think that now is the very time to sign an official document between the Dniester Moldovan Republic and Russia on the conditions for the presence of the 14th Army in our region. Admittedly, its commander believes that all military property should be shared out.

[Kozlova] According to the Shvonder-Sharikov principle: Take it away and share it out?

[Smirnov] Yes, the commander's logic is strange: If army property is divided up and distributed to all, there will be no conflicts. For some reason the point that is not taken into account here is the extent to which this will increase Moldova's military might and reinforce its carabineers, police, and other troops. Now just calculate what the withdrawal of the army, the transportation of its property and equipment, and the resettlement of people will cost. For instance, take the ammunition that has been in storage since the forties. Some people are suggesting that it be blown up in situ. But that is dangerous. And what is the point of blowing it up? It would be better to set up a small plant, reprocess it, and derive joint benefit from this.

Everything is now being done to remove the Russian army from the Dniester region. Do you know why the West is doing so much to help Moldova? Merely in order to gain geopolitical space and squeeze out Russia. But what does Russia actually mean here? It means the Dniester Moldovan Republic, it means joint ventures with Russia, and, finally, it means the 14th Army. When hotheads in Chisinau begin to attack this army, I tell them: Careful. Once it has been withdrawn, the West will give you nothing more. What, do you think the United States is interested in the development of your economy? Of course not. The tough law of competition does not allow this. Moldova has already received about $1 billion....

[Kozlova] They do not give money for nothing, of course. The only free cheese is in a mousetrap.

[Smirnov] Of course. The "aid" will have to be paid for. And if you can't, your economy will be run by the person who gave you the money.

[Kozlova] How did you in the Dniester region celebrate the 50th anniversary of the Soviet people's victory over the fascist invaders?

[Smirnov] Our people have always greatly revered the army. They feel even more reverence for a great exploit accomplished not only by the army but by our entire people. Veterans were feted — we have 14,500 of them, 600 concentration camp inmates, and over 1,000 widows — in all cities and villages and in all collective and state farms and enterprises. The celebrations were held in our region in the way in which they were usually held in the Soviet Union: a military parade, theater show, big rally, salute, and a regulation-issue "100 grams" [of vodka]. Eight participants in the victory parade went to Moscow. We had a band there to see them off and welcome them back. You had to see it. We had guests from many states, including Russia. We have a sacred place — the memorial where those who died during the Great Patriotic War and Moldova's aggression against us in 1992 are buried and there is a T-34 tank. There are always flowers there. But on 9 May the memorial was carpeted in flowers. Everyone went to honor the memory of the heroes. So you see our people's attitude toward this tremendous historical exploit by the Soviet people. We have practically completed the program to provide veterans with housing. People who have been waiting since 1990 will receive apartments this year, and the rest next year. Our housing is mostly constructed at state expense, but we also have private and cooperative construction. The state constructs housing mostly for budget-funded organizations. Enterprises engage in construction themselves. The money they channel into housing, kindergartens, and the development of the social sphere is exempt from tax.

[Kozlova] On 2 September your republic will be five years old. That does not seem all that old, but the Dniester people have been through a lot and have shed quite a bit of blood in the struggle against the Romanian-Moldovan aggressors in order to defend their independence....

[Smirnov] We fought for the right to live on this land. We realized that our fate is primarily in our hands. Even when there are great powers, even when you have Russia, Ukraine, and Belarus nearby and there are other Slavic states, nobody will give you a thought unless you think about yourself.

Yes, we are having a hard time at the moment. But the people realize that you cannot forget your own history. You have to defend your land today, right now, otherwise tomorrow you will be left without a roof over your head, without a homeland, and you will become an outcast on the margins of history.

Kazakhstan

Sociocultural Development Factors Examined

954F2340A Almaty NOVOYE POKOLENIYE in Russian 19 May 95 p 3

[Article by political scientist Berik Abdygaliyev: "Kazakhstan and Kazakhstanis in Russia's News Media"]

[FBIS Translated Text] As the experience of previous elections shows, a new wave of the opportunist politicization of the situation of Russians in countries of the CIS will begin with the approach of the parliamentary elections in the Russian Federation. We will yet again witness an incitement of national emotions and great-power ambitions both on the part of social and political forces and on the part of representatives of the official authorities of the Russian Federation. Especially since the effectiveness of this position was shown by the result of the 1993 parliamentary elections. It cannot be ruled out that a target of Russia's national patriots in this situation will once again be Kazakhstan.

Kazakhstan is a unique state in terms of its ethnodemographic composition and diversity of religions and cultures. According to data of the State Committee for Statistics for 1994, Kazakhs in the republic constituted 45 percent in the overall strength of the population, Russians, 36 percent, Ukrainians, 5 percent, Germans, 4 percent, Tatars, 2 percent, Uzbeks, 2 percent, Belarusians, 1 percent, Azerbaijanis, 1 percent, Uighurs, 1 percent, and other ethnic groups, 4 percent.

The ethnopolitical situation in the republic is calm. Almost every ethnic group has its own national-cultural centers. A decisive factor of social and political stability in Kazakhstan is the absence of mutual ethnophobia. According to the data of a public opinion poll conducted by the Information and Analysis Center of the Supreme Council of the Republic of Kazakhstan in the summer of 1994, some 28.7 percent of respondents assessed interethnic relations in the republic as friendly, 41.8 percent, as tranquil, and 21 percent, as not always friendly. Only 2.5 percent of those polled assessed their relations as being tense and conflict-ridden.

It is other factors that are causing concern: In the mass consciousness the tenure of official or other positions is frequently connected with the ethnic affiliation of the persons holding them, not with their professional attributes, and the activity of the state is evaluated from the viewpoint: Which nations does it benefit?

There is currently an upsurge in the ethnic self-awareness of national groups in the republic, and an aspiration to a critical reassessment of one's position in the structure of Kazakhstani society is growing.

For a number of reasons largely connected with the legacy of previous historical events—the migration policy of tsarist Russia, the Stalin repression of the 1930's-1940's, and the virgin land and "communist building" (which, G. Starchenkov believes, "were a golden age for Kazakhstanis," the journal AZIYA I AFRIKA SEGODNYA No. 11, 1994)—the ethnic factor plays a big part in the social life of Kazakhstan and influences considerably the course of socioeconomic and, particularly, political processes. This conflict in society or the other is frequently projected onto national relations, thereby acquiring an ethnonational nuance.

Individual articles in Russia's news media, in which the idea of discrimination against Russian and Russian-speakers in Kazakhstan is actively bruited, contribute to this also. They propagandize anti-Kazakh, antigovernment, and irredentist sentiments, which, in turn, threaten the existence of interethnic stability in the republic and the territorial integrity of the state. The authors of such articles, not going into matters in depth, frequently adapt the facts and phenomena to a simplistic "witch hunt" format. This, in turn, sows illusions and prevents Kazakhstani Russians from objectively recognizing the actual ethnopolitical situation in the republic.

A special program for the consistent exposure of false rumors is essential for Kazakhstan today. The law must respond swiftly and strongly to calls for violence, slander, and other actions that go beyond the commonly accepted framework of freedom of speech. This is necessary not in the name of abstract justice but so that society may understand that justice is dependably defended. Inflammatory or slanderous statements must be followed by a prompt response on the part of the authorities.

Language, Education, Culture

In the opinion of Russian journalists, "the unequal legal hierarchy of languages enshrined in the Constitution of the Republic of Kazakhstan, Russian's lack, that is, of the status of official language on a par with Kazakh, discriminates against the Russian-speaking population. The current unequal opportunity for obtaining an education determined by the linguistic competence of the individual also infringes the rights of Russians in Kazakhstan" (NEZAVISIMAYA GAZETA for 1 December 1994 and 7 April 1995, ARGUMENTY I FAKTY No. 45 of 1994, and the journal AZIYA I AFRIKA SEGODNYA No. 11, 1994).

How do matters stand in reality? First, in the eighth provision of the fundamentals of the constitutional system, after the recognition of Kazakh as the official language, and of Russian, as the language of interethnic communication, there follows: "The state guarantees preservation of the sphere of application of the language of interethnic communication and other languages and shall display concern for their unrestricted development.

"Qualification of the rights and liberties of the citizens on the basis of ignorance of the official language or the language of interethnic communication is prohibited."

Second, it needs to be emphasized that the legal equality of the languages by no means signifies their communicative equivalence. Here also languages may differ in that they serve different spheres of communication. For instance, Russia, as distinct from Kazakh, dominates, as a rule, in accordance with its status of language of interethnic communication, in a functional respect: It is more prevalent and serves the largest number of spheres of communication, statewide communications included, and all nations living in Kazakhstan are forced to learn it.

The data of the State Committee for Statistics for 1994 show that 262,511 children in preschool institutions of the republic are taught in Kazakh, and 478,490, in Russian. In general schools 806,100 students are taught in Kazakh, 1,033,900 are taught in Russian. In the republic's higher educational institutions 189,416 students are taught in Russian, and in Kazakh, 77,243.

Third, it needs to be recognized that the introduction of official bilingualism presupposes an obligation on the part of everyone who performs responsible state work and who works in services to know both languages to a certain extent.

Any representative of national groups who has made his choice and who wishes to reside permanently in Kazakhstan should be aware that his ignorance of Kazakh signifies to a certain extent an infringement of the rights and liberties of the Kazakhs. For example, representatives of the Russian nation, whose language has a higher communicative value, do not, as a rule, endeavor to learn Kazakh. Kazakhs, on the other hand, are forced to learn Russian. A certain injustice of this situation is recognized here. This serves as a pretext for interpersonal clashes and micro-conflicts.

A study conducted by the Cabinet of Ministers of the Republic of Kazakhstan on the results of the 1993 entrance examinations testifies that there is, truly, a preponderance of Kazakh youth among the freshmen in the majority of the republic's higher educational institutions. But to the same extent there are more Kazakhs among school-leavers also. This is a consequence of the different demographic structure of the Kazakh and Russian nations in this age category. According to data of the 1989 census, in the over-50 age category there are in the republic two to three times more Russians than Kazakhs. A somewhat lesser preponderance is observed in the middle age groups—30-50 years of age—and in the groups 30 years of age and under Kazakhs, on the other hand, are preponderant. That is, the proportion of Kazakh youth clearly has a preponderance over Russian youth. For example, the Kazakh Al-Farabi State University received some 79.4 percent of its applications from Kazakh school-leavers in 1993, 13.4 percent from Russian school-leavers, and, accordingly, 79.5 percent Kazakhs and 14.6 percent Russians were enrolled for the first year. Consequently, it is by no means always a question of discrimination.

In S. Kurginyan's opinion, the "Concept of the Sociocultural Development of the Republic of Kazakhstan" not only proclaims "the undisputed priority of Kazakh culture" but also candidly adopts a policy of the Kazakhization of the country—a policy promising neither the Russian nor the other nationalities a political future of Kazakhstan" (NEZAVISIMAYA GAZETA, 7 July 1994). G. Starchenkov maintains that in Kazakhstan, "many newspapers and journals, citing the constitution, have switched over to Kazakh, and radio and television broadcast in Kazakh virtually the whole day long" (the journal AZIYA I AFRIKA SEGODNYA No. 11, 1994).

First, according to this concept, "Kazakh culture should take precedence, for only in Kazakhstan, nowhere else, can it enjoy its true revival and necessary development."

Second, the concept specifies that "the Republic of Kazakhstan will preserve and protect the cultural heritage of all peoples and ensure the equality of the cultures and the right of each people to assert, preserve, and develop their cultural distinctiveness."

According Kazakh culture and language preference could be deemed just and necessary for the rectification of the actual discrimination perpetrated earlier in respect to the culture and language of the indigenous population of the country, which suffered immeasurably in the past from centuries of colonial policy. This concept is an instrument of the alleviation and gradual removal of the negative results of the discriminatory policy of the past in respect to the Kazakhs.

Third, according to data of the State Committee for Statistics of the republic, 1,159 books and brochures were published in Kazakhstan in 1993, including only 522 printings in Kazakh. Some 1,044 periodicals are published, of which only 262 appeared in Kazakh, 396 in Russian, 357 in Kazakh and Russian, and 29 in other languages. Some 238 radio and television enterprises were registered. Of these, two were in Kazakh, nine in

Russian, 171 in Kazakh and Russian, and 56 in other languages.

Citizenship

In the assessment of Russian political scientists, Article 4 of the Constitution of the Republic of Kazakhstan discriminates against Russian-speakers since it does not recognize for them affiliation to citizenship of Russia, but for "Kazakhs living in other states the right to hold citizenship of the Republic of Kazakhstan together with citizenship of other states is recognized." State support for Kazakh repatriates is, in consequence of this, termed discriminatory (NEZAVISIMAYA GAZETA, 7 April 1995).

First, paragraph three of Article 4 of the Constitution of the Republic of Kazakhstan does not recognize "affiliation to the citizenship of another state, except in the instances specified by the constitution and interstate treaties of the Republic of Kazakhstan," for all citizens of the republic, regardless of race, nationality, sex, language, and other indications of affiliation (in accordance with instruments of international law and Article 1 of the Constitution of the Republic of Kazakhstan).

Second, paragraph four of Article 4 of the Constitution of the Republic of Kazakhstan also recognizes "the right to hold citizenship of the Republic of Kazakhstan together with the citizenship of other states, unless this contravenes the laws of the states whose citizens they are," not only for "Kazakhs living in other states" but "for all citizens of the Republic of Kazakhstan who have left it involuntarily."

The separation of Kazakhs in this article of the Constitution of the Republic of Kazakhstan is not so much of priority significance as of a rehabilitation nature. As a consequence of the Stalin dictatorship and the famine, Kazakhs in the notorious years were forced against their wishes to move to other states. This, like state assistance to Kazakh repatriates, does not contravene instruments of international law. For example, Article 12 of ILO Convention 107 "Indigenous Peoples and Those With a Tribal Lifestyle of Independent Countries" enshrines the right of the peoples to return to their traditional lands when the effect of the reasons for their migration has come to an end and the right to obtain compensation for all losses and forfeits caused by the migration.

If we are speaking of representatives of other nations of Kazakhstan, such a provision is the prerogative of the states whose subjects they were prior to their migration to Kazakhstan.

Third, the Agreement on a Simplified Procedure of the Acquisition of Citizenship by Citizens of the Republic of Kazakhstan Arriving for Permanent Residence in the Russian Federation and of Citizens of the Russian Federation Arriving for Permanent Residence in the Republic of Kazakhstan Between the Republic of Kazakhstan and the Russian Federation was adopted on 20 January 1995.

A process of nationwide integration is under way in Kazakhstan today. The demands, however, that the "Russian-speaking" population be accorded special, essentially privileged, status are an insurmountable barrier in the way of such integration. Truly, some Kazakhstani Russians could, at Moscow's prompting, nurture hopes of dual citizenship. But can a state, 30-40 percent of whose population are simultaneously citizens of a neighbor and considerably more powerful state be viable? Would not in this case the main decisions determining the fortunes of Kazakhstan be adopted in Moscow, not in Almaty? Would Russia truly respect Kazakhstan's sovereignty or would it aspire to its tacit elimination? Would the elimination of statehood actually contribute to the preservation of interethnic accord in Kazakhstan? Would, ultimately, the Kazakhstani Russians benefit from dual citizenship (NEZAVISIMAYA GAZETA, 17 December 1994)?

Now as far as the principle of self-determination of the peoples is concerned. As V. Lafitskiy maintains, the Constitution of the Republic of Kazakhstan "does not recognize the right of the Russian-speaking population to self-determination" and "reunification with the Russian Federation," which, in his opinion, "contravenes the UN Charter and many other rules of international law" (NEZAVISIMAYA GAZETA, 7 April 1995). Quoting in abundance articles of international acts of the United Nations and the OSCE pertaining directly to Russia itself also here, V. Lafitskiy deliberately makes no mention of Article 8 of the UN Declaration "Rights of National Minorities," which especially stipulates the limits of these rights—nothing in them "may be interpreted as permission to pursue any activity contrary to the purposes and principles of the United Nations, including the principles of respect for states' sovereign equality, territorial integrity, and political independence." It is not at all fortuitous that UN Secretary General Butrus-Ghali warned the world community in his program report "Agenda for Peace": "Were each ethnic, religious, or language group to lay claim to the creation of its own statehood, this would bring about an unstoppable process of the world's disintegration...."

Tajikistan

Aga Khan Discusses Tajik Crisis Stabilization

LD2405104395 Moscow ITAR-TASS in English 0957 GMT 24 May 95

[By Galina Gridneva]

[FBIS Transcribed Text] DUSHANBE May 24 (Itar-Tass) — The Aga Khan, the leader of Ismailites, who is currently on a ten-day visit to Tajikistan, discussed with the Russian border guard command ways to stabilise the situation on the Tajik-Afghan frontier and proposed assistance in the settlement.

The Aga Khan held a meeting with commander of Russian border troops in Tajikistan Pavel Tarasenko and the latter thanked him for attention which the leader of the Ismailites pays to the normalisation of the political and economic situation in Tajikistan, Tass learned Wednesday from the press service of the Russian border troops in the Central Asian republic.

The Aga Khan was quoted as saying that his relations with Russian border guards had "acquired a more concrete character" after his recent meeting with Director of the Russian border service Andrey Nikolayev.

The border guard command in Tajikistan is to arrange a trip of the Aga Khan to the rebel Pamir region where he is to hold a meeting with Badakhshan Ismailites. Two border passes are expected to be opened in the Shugnan and Ishkashim regions for Afghan Ismailites from the border area to arrive for a meeting with their leader.

Deputy Premier Addresses Inter-Tajik Talks

LD2405095095 Dushanbe Radio Tajikistan Network in Tajik 0400 GMT 24 May 95

['Text' of speech by Mahmadsaid Ubaydulloyevich Ubaydulloyev, first deputy prime minister and head of the Tajik Government delegation at the fourth round of the inter-Tajik talks in Almaty on 22 May — read by unidentified correspondent]

[FBIS Translated Excerpt] Esteemed Mr. Piriz-Ballon, special envoy of the UN secretary-general. Esteemed Kasymzhomart Kemelevich Tokayev, minister of foreign affairs of the Republic of Kazakhstan. Esteemed representatives of the observer states. Esteemed compatriots. Ladies and gentlemen.

The fourth round of the inter-Tajik talks, on which our people pin high hopes, begins today in fraternal Kazakhstan, in the fine and hospitable city of Almaty.

The results of the three previous rounds [word indistinct] in Tehran and Moscow, and particularly the one held in Kabul, have shown again that Tajikistan's problems may and must be solved only by political means, at the negotiating table, in conditions of mutual understanding, trust, and respect. At the previous talks and consultations we achieved certain results: We found the basis for the fourth round [of inter-Tajik talks], revealed the main reasons for our disagreements, and the ways to resolve them. We identified the agenda, and we had an exchange of detainees and prisoners of war, signed an agreement on a temporary cease-fire, and we came close to [word indistinct] which gave us the opportunity to carry out profound political reform and economic changes in the country. The new constitution of the Republic of Tajikistan was approved for the first time by a nationwide referendum. The presidential elections and elections to the new parliament, the Supreme Assembly [Oli Majlis], have been held.

The summit meeting that was held a few days ago in Kabul between the esteemed president, Emomali Sharipovich Rakhmanov, and Sayed Abdullo Nuri, the leader of the Tajik opposition, is a historic event for all Tajiks. The characteristic particularity of this meeting is the fact that the positions of the sides were distinctly clarified and now we have the opportunity to continue the dialogue.

Taking into account the agreements reached at high level, we are ready to continue seeking mutually acceptable resolutions to consolidate those positive [results] that were achieved in the previous rounds [of inter-Tajik talks].

We intend to obtain solutions to the remaining disagreements between us, deriving from the interests of our own people.

For the sake of the further consolidation of the gained and awaited peace and full accord, as well as creating a democratic, legal, and secular state in this most ancient land, we have to find constructive resolutions to the issues on the agenda.

Esteemed compatriots, ladies and gentlemen! We acknowledge profoundly that history has set a serious test for those who are sitting at this table because the destiny of our common homeland depends on our resolutions.

We have to acknowledge this great responsibility before millions of our compatriots. [passage omitted]

Opposition Demand To Change Constitution Rejected

LD2405085895 (Clandestine) Voice of Free Tajikistan in Tajik 0600 GMT 24 May 95

[FBIS Translated Text] According to a report by our correspondent from Almaty, the fourth round of inter-Tajik peace talks is continuing there.

The opposition delegation has added the issues of amending the constitution and setting up a coalition government.

Contrary to the regime's claims of being prepared for every condition put by the opposition for the sake of establishing peace and reconciliation in the country, yesterday evening, Dushanbe television severely criticized this opposition demand and read out the statement of Imomali Rahmanov, the president of the regime, which goes exactly as follows:

As a president elected by the people, I have sworn an oath to defend the constitution and no one will change it. This is my answer to those who demand the amendment of the constitution, ends the statement by the president of the Dushanbe regime.

Interior Minister Reports Arrest of 'Terrorists'

LD2305153395 Moscow ITAR-TASS in English 1611 GMT 23 May 95

[FBIS Transcribed Text] DUSHANBE, May 23 (Itar-Tass) - "A gang of terrorists, which was active in the Leniniskiy and Kofirnikhonskiy districts of the republic for two years running, has been unmasked in Tajikistan. Six members of the gang were arrested," Itar-Tass was told today by Tajik Interior Minister Yakub Salimov. The arrested men are accused of murdering dozens of Tajik citizens for political reasons. Their victims include People's Deputy Zainiddin Mukhiddinov, two Russian border guards from the Moskovskiy detachment (both Takiks by nationality).

The minister said that the operation was being continued to apprehend the other members of the gang and its ringleader Namoz Kurbanov, a former field commander. The Interior Ministry and the Tajik special services have already discovered several such groups, including a large underground organisation in Dushanbe. All the arrested men, numbering more than twenty people, are accused of murdering for political reasons several Russian and Tajik servicemen, some policemen, Vice-Chairman of the Tajik Council of Ministers Munavarsho Nazdriyev, and many other people.

The leaders of the Tajik opposition deny their involvement in this terroristic act. "All the charges were rigged up by the Tajik special services and the admissions were obtained by third-degree methods," Itar-Tass was told by the Vice-Chairman of the Islamic Revival Movement of Tajikistan. One opposition leader admitted, however, the existence of some gangs made up of his supporters. He stated, however, that their purpose was only to exert political pressure on the Dushanbe authorities during the intra-Tajik negotiations.

Uzbekistan

Karimov Accompanies Bhutto To Uzbek Cities

LD2305145395 Moscow INTERFAX in English 1255 GMT 23 May 95

[FBIS Transcribed Text] TASHKENT, May 23 (Interfax) - Uzbek President Islam Karimov is accompanying Pakistani Prime Minister Benazir Bhutto on her trip to Samarkand and Bukhara on Tuesday [23 May].

Karimov's press service told Interfax that in the evening of May 23 Bhutto will complete her official visit to this Central Asian republic.

On Monday, the two sides signed agreements on measures to avoid double taxation and on cooperation in science, technology and tourism.

Karimov told journalists in Tashkent on May 22 that he and Bhutto had discussed a wide range of issues pertaining to bilateral economic relations, coordination of joint efforts to ensure regional stability, the restoration of peace in Afghanistan and stability in Tajikistan.

Karimov said that the Pakistani side had approved Uzbekistan's initiative to organize regular U.N. seminars on stability in Central Asia.

Bhutto said that Pakistan gave a high appraisal to the Uzbek president's moves to ensure his republic's sovereignty, independence, economic development and the population's well-being, and supported Tashkent's efforts to safeguard peace and stability in the region.

Bhutto Speaks at Road Inauguration

BK2305150595 Islamabad Radio Pakistan Network in English 1400 GMT 23 May 95

[FBIS Transcribed Text] The prime minister, Ms. Benazir Bhutto, has said Pakistan is a democratic Muslim country which believes in moderation and tolerance. She was speaking at a ceremony to inaugurate a main road in Bukhara today which is named after the great poet philosopher Allama Mohammad Iqbal. She said we are against extremism and believe in common global battles against narcotics and poverty. She said her government is committed for a social change and is focussing on social issues. Ms. Benazir Bhutto said her government was pursuing the policies of raising expenditure on education, slowing the population growth rate, protecting the environment, and spreading electricity to villages and telecommunication. The prime minister said Pakistan is committed to the concept of freedom. She said our troops are in the forefront of peacekeeping forces the world over.

Referring to her visit to Bukhara, she said the city is a place which gave birth to Imam Bukhari, whose authoritative work on Hadis Sharif [teachings of Prophet Mohammad] is widely acknowledged. She said Bukhara is also the resting place of Bahavuddin Nakshbandi, who has a large following in Pakistan. Such luminaries serve as a beacon light uniting Muslims all over the world, she added.

Ms. Benazir Bhutto today visited the mausoleum of Hazrat Bahavuddin Nakshbandi in Bukhara. She offered fateha [prayers] and prayed for the unity of Muslim ummah [community]. The prime minister evinced keen interest in the architecture and wood carving at the mausoleum. She presented a check for $25,000 for renovation and maintenance of the mausoleum. Ms. Benazir Bhutto also visited monuments of (Samaned). The Uzbekistan president, Mr. Karimov, accompanied the prime minister.

Sentenced Erk Leaders' Activities Profiled

954F2342A Moscow TRUD in Russian 19 May 95 p 9

[Article by Abduvalli Vokhidov: "Plotters: Uzbek Commandos Were Trained in Turkey and Apprenticed in Chechnya"]

[FBIS Translated Text] Tashkent—Wandering the streets of a strange city, Anvar remembered home, and thought of his mother: "She is probably anxious, crying.... Will I be able to return?"

A thought flashed once through his mind: Escape! But how? Who was he here, in Turkey? A man without a passport, without money, without friends....

Two years ago, when he was still back home, a man walked into their yard. After exchanging a few traditional phrases, he took Anvar aside and offered him a chance to and train in....Turkey! He said that a certain firm will assume all the expenses and later guarantee work and good pay. He added: "On your return, we will give you an apartment and a car, and a commercial store."

Anvar agreed, without even consulting with his parents. It was only later that he heard the words "secrecy," "commandos," "prominent sons of the people," "saviors of the nation," and realized that he had become a pawn in the hands of his current masters.

Several tens of young men deceived by "recruiters" were being molded into terrorists. Organizing their training in Turkey for the Erk ("Freedom") party leaders was part of the plot aimed at violently overthrowing the constitutional system in Uzbekistan.

The democratic Erk party was registered by the Republic of Uzbekistan Ministry of Justice in March 1991. It was that kind of time—newspapers wrote about the "winds of change" and even minimally well-known people tried to put together political reserves by delivering fiery speeches. One such "tribune" was Muhammad Salikh (pen name of the writer Salay Madaminov), leader of the Erk party. Having surfaced on a wave of rally passions, he envisaged himself in a much higher calling!

However, in the course of the Republic of Uzbekistan's presidential elections Muhammad Salikh, running as a candidate from the Erk party, was defeated. Apparently not willing to accept this failure, he entered into collusion with Kh. Khudayberdyyev, Tashkent Oblast chairman of the Birlik political movement, O. Karimov, deputy chairman of the Free Peasants Party of Uzbekistan, and representatives of the People's Diplomacy association, with a proposal to create a Milli Majlis—an organ with right of legislative initiative. As a counterweight to the Uzbekistan Supreme Council.

The confederates drafted a number of documents regarding Milli Majlis activities. The appeal to political parties, movements, and associations, printed in multiple Xerox copies, contained a direct call for a joint effort to seize power. In connection with this, in August 1992 the republic procuracy initiated criminal proceedings. Soon afterwards the government newspaper NARODNOYE SLOVO published articles by former members of the party S. Igitaliyev and Sh. Karimov, who disagreed in principle with the actions of M. Salikh and other leaders who had taken the road of extremism.

The dropout rate of supporters was on such a massive scale that Muhammad Salikh soon found himself in a rather small group, which included Zh. Mamatov, Yu. Ruzimuradov, M. Bekzhonov, and F. Kilichev.... Wishing to replenish his ranks, he proclaimed himself the defender of all "slighted and oppressed people" Is it surprising that everybody who felt "slighted by the authorities" rushed to join this "movement." To be honest, among them were quite a few people with a less than sterling past, with damaged reputations. For instance....

Murad Dzhurayev. Only recently he was chairman of the Mubarek City Executive Committee. The title of people's deputy, an official car, a decent salary, authority, regard, and respect—all this became a thing of the past because, getting carried away by political games, he ran down the city municipal services and was dismissed from his job. He wanted to prove by "all this" that he, Dzhurayev, could not be simply "thrown out." Dzhurayev came to Muhammad Salikh.

Erkin Ashurov. For several years director of a Samarkand tea- packaging factory, he systematically abused his official position. Tea was stolen from the factory by the tonne, bringing fantastic profits to businessmen....

Such people comprised the "party's core."

Then Muhammad Salikh, violating the pledge not to leave he had made to the authorities (in connection with criminal proceedings initiated by the republic procuracy), went into hiding in Turkey. He decided to direct the plot from there. He needed money, the ERK newspaper, and executors. In May 1993 Muhammad Salikh called up his confederates for a meeting in Baku. Responsibility for publishing the newspaper was entrusted to Zh. Mamatov; M. Dzhurayev was to ensure its publication and distribution. Collection of money for the party treasury and transporting it from Tashkent was entrusted to Salikh's brothers—Muhammad and Maksud Bekzhonov, a member of the Erk party's central committee, Yusuf Ruzimuradov, and the party's press secretary, Dilorom Iskhakova.

As a result, they received (from sources not established by the investigation) more than 20 million rubles [R] and more than $13,000. At Salikh's direction, M. Dzhurayev sent R8 million to Zh. Mamatov in Baku—to get the newspaper published. The first issue came out in January 1994. Ten issues of the newspaper with a total of more than 100,000 copies were distributed on the territory of Uzbekistan. (Investigation documents say that they consisted mostly of "articles filled with public calls for a violent overthrow of the constitutional system and seizure of power.) The newspaper was delivered from Turkey to Ashgabat and Almaty, from where it was shipped to Uzbekistan.

Muhammad Salikh inclined his cohorts to fight from a position of force. Once he called Dzhurayev and proposed selecting young men aged 20-25 from Kashkadarya Oblast, unmarried and unemployed. They set quite definite goals—teaching them the art of hand-to-hand combat and skills with all kinds of firearms: "These people will be needed as the party activists' commandos and bodyguards."

Into the process of creating the "party's shock troops" Dzhurayev brought his brother Sh. Kholbayev and his former driver, N. Akhmedov. Kh. Suvonov, F. Kilichev, and Sh. Mamatov got busy recruiting future commandos. Their job was to identify an "object" and engage in persuasion—at small group meetings, among other methods. Kamol Khamrayev, who was present at one of them, remembered afterwards: "Mamatov said that in Turkey the guys would be taught various methods of combat and skills in all kinds of firearms. On returning from Uzbekistan, the guys would do the work needed, up to the physical elimination of high-ranking officials."

All in all, they selected 48 young men from Kashkadarya. Twenty- one of them were taken to Turkey on false papers. For instance, N. Akhmedov with a group of six people went to Batumi, where with the help of Georgian citizen S. Zaidze, who was paid $635 for his services, he got the group over the Turkish border.

In Turkey they were under the direction of Muhammad Salikh and his cohorts. They all lived in the respectable Khidoya hotel in Istanbul. The senior instructor, who taught the Uzbeks methods of hand-to-hand combat, how to handle modern arms, and methods of seizing hostages, was a certain Namuk Ekin—most likely affiliated with this country's special services. His name served as a code word when moving around Turkey and in unexpected encounters with the police.

One may assume that the transfer of some 30 Uzbek commandos to Chechnya (after seven or eight months of training in Turkey) was also accomplished with the participation of the Turkish special services.

It is also indicative that Muhammad Salikh's meeting with Uzbek commandos on their arrival in Chechnya was held in July 1994 in the house of Chechnya's Vice President Zelimkhan Yandarbiyev—Dzhokhar Dudayev's right hand man (by the way, one of the plot leaders, Yusuf Ruzimuradov, resided permanently in Chechnya). "Now you need to seriously get into firearms training," was the task Muhammad Salikh set for the commandos at the meeting.

One does not have to be a genius to figure out on whom they perfected their "firearms training." According to the investigation, five of the group's most active members are still in Chechnya.

....In the verdict handed down by the Republic of Uzbekistan Supreme Court, Muhammad Salikh (Salay Madaminov) was named the plot organizer. With respect to him, Zh. Mamatov, Yu. Ruzimuradov, M. Bekzhonov, and F. Kilichev, a ruling was issued to file charges. All of them, however, are outside the Republic of Uzbekistan, and therefore proceedings in the case were suspended and a wanted warrant issued.

Other plot participants were sentenced to various terms of incarceration. Almost all the accused persisted in contending that they had were being trained in "commerce" in Turkey. The court has established beyond a doubt, however, that they were trained for violence and murder.

Armenia

'Text' of Foreign Ministry's Karabakh Statement

NC2305211195 Yerevan Radio Yerevan International Service in Armenian 2000 GMT 23 May 95

["Text of the statement by the Foreign Ministry of the Armenian Republic in connection with the bombing of the gas pipeline feeding Armenia on 21 May 1995"—radio headline; place and date not given—read by announcer]

[FBIS Translated Text] The gas pipeline crossing Georgia and feeding Armenia was badly damaged in a double bombing in the Azerbaijani-inhabited Marneuli Region of Georgia at 2240 on 21 May. Due to these operations carried out simultaneously at the crossing points of the Kura and Khrami Rivers, the flow of natural gas to Armenia has been stopped for the fourth time this year. This was the 16th such operation since May 1992. The railway entering Armenia has been damaged 34 times in the same period. The railway bridge over the Khrami River linking Armenia with Georgia has been bombed seven times.

These acts of sabotage have deprived the Republic of its only source of natural gas for nearly 200 days and cost the country economy huge losses, the statement stresses.

Based on the evidence it has, Armenia is certain that the chain of international terrorist acts is being executed by the agents of the Azerbaijani Government. Hiding behind the Minsk process, the Azerbaijani Government is consistently pursuing international terrorist acts. Armenia regards these as acts of war incompatible with the letter and spirit of the cease-fire agreement and with all the unilateral goodwill undertaken by it [Armenia] with a view to forging a favorable climate at the talks for the peaceful resolution of the Nagorno-Karabakh conflict.

Accordingly, the government of the Armenian Republic declares that it suspends its participation in the talks within the framework of the Minsk process and expects relevant guarantees from the OSCE and the international community that Azerbaijan will end these gross violations of the cease-fire and the international terrorist acts. The Armenian Government will reconsider its decision when the relevant guarantees are provided, the statement concludes.

Foreign Ministry Accuses Azerbaijan

NC2305175995 Yerevan SNARK in English 1225 GMT 23 May 95

[FBIS Transcribed Text] Yerevan, May 23 (SNARK)—Today, the Armenian Ministry of Foreign Affairs spread a statement saying that the explosion made on the evening of May 21 in the Marneuli region of Georgia with Azeri population is a regular international terroristic action organized by the Azeri Government.

The Armenian Government warned for several times that such actions of Azerbaijan threaten the negotiation process on the Karabakh settlement. However, the international community has not taken any steps toward normalizing the situation. Meanwhile, the Azeri Government states that they support a peace settlement of the Karabakh conflict and participate in the OSCE Minsk group, but at the same time they continue to organize international terroristic actions.

Armenia considers these actions to be hostilities and a violation of the cease-fire agreement. Therefore, the Armenian Government declares that it halts its participation in negotiations within the Minsk process framework and expects guarantees from the OSCE and international community that Azerbaijan will stop such actions. The Armenian Government will revise its decision when it has proper guarantees.

Country Looks East; Projects With Syria, Iran

MM2305152195 Moscow IZVESTIYA in Russian 23 May 95

[Report by Sergey Bablumyan: "Armenia Prefers To Trade With Near East" — from the "Financial IZVESTIYA" section, p ii]

[FBIS Translated Text] It looks like Armenia has finally gotten its foreign economic bearings, setting course for partnership with Near East countries, above all Iran. Very little time at all was needed to realize that countries with a transitional economy are of only potential interest to the West, which operates in a completely different weight category. Whereas the Near East, which is close to Armenia in all respects, is allowing it to develop mutually advantageous cooperation right now.

Armenian Premier Grant Bagratyan's business tour of the capitals of a number of neighboring states this May clearly indicated the strategic areas of the developing partnership.

A treaty on participation in the construction of the 180-km Aleppo-Khoms [name as transliterated] oil pipeline has been signed with Syria. Yerevan believes that the participation of highly skilled Armenian specialists in this project will make it possible not only to keep their skills up to scratch but also to fill the treasury with considerable foreign currency earnings.

Vladimir Manoyan, leader of the government information service, presented some documents from the weighty package of Armenian- Iranian agreements to journalists. An accord has been reached on the construction of two hydroelectric power stations on the Araks

River, each with a capacity of 210-220 megawatts. According to preliminary estimates the cost of building one such hydroelectric power station is estimated at $170 million.

Construction of the Iran-Armenia gas pipeline, which will later be hooked up to the Turkmenistan-Iran-Russia system, is becoming especially important to the republic. As the republic cabinet of ministers explained, the gas pipeline's first 100-km section will be laid up to the border with Armenia and continued by a 40-km "shoulder" on its own territory. This will provide the potential to pump up to 1 billion cubic meters of gas per year into the republic.

Azerbaijan

Aliyev Addresses Caspian Oil-Gas-95 Exhibition

NC2305184095 Baku Azerbaycan Radio Televiziyasi Television Network in Azeri 1250 GMT 23 May 95

[FBIS Translated Text] The international exhibition Caspian Oil-Gas-95 opened today in Baku. Our correspondent Sakit Ochaghli reports:

[Begin Ochaghli recording] The holding of the second Caspian Oil-Gas exhibition in our republic proves again that Azerbaijan possesses large and rich natural resources and that leading foreign oil firms are greatly interested in our republic.

Official delegations from the United States, Britain, France, Sweden, Turkey, Russia, and elsewhere, and the heads of oil firms welcomed President Geydar Aliyev, who arrived at the sports and concerts complex to take part in inaugurating the exhibition.

Azerbaijani President Aliyev opened the inauguration ceremony. He wished success to the British firm (Spearhead), which organized the exhibition, and to the representatives of all the foreign firms taking part in the exhibition.

President Geydar Aliyev welcomed the state and government delegations from the United States, Britain, Turkey, and Kazakhstan, which took part in the opening of the exhibition. He conveyed his views to participants at the start of this historic event, which is taking place in Azerbaijan for the second time.

Aliyev said that even before the conclusion of the contract of the century [the oil deal with the Western consortium], Azerbaijani specialists and businessmen placed great confidence and hopes in the [first] exhibition held in Baku. He stressed that a second exhibition in Baku became necessary in view of the enormous interest in Azerbaijan by foreign firms. The head of state also praised the work over the past eight months by the International Operation Company, which is playing a leading role in the foreign firms' oil consortium. He said that while forces were trying to obstruct the agreement, Azerbaijan would carry on with the work it started on the basis of mutual interest, in keeping with international laws and norms, and in compliance with regional principles. He declared that Azerbaijan is developing in line with democratic principles, improving its economy in line with free market relations, and attaching primary importance to cooperation abroad.

He informed participants that for the first time in Azerbaijan, preparations are under way to hold multiparty and democratic elections.

Commenting on the status of the Caspian Sea, our head of state expressed the hope that this problem, which emerged after the conclusion of the contract of the century, would be solved in line with international law. He spoke of the need for the fruitful use of the oil and the biosphere of the unique Caspian Sea.

The president also said it was Azerbaijani specialists who first extracted oil in the Caspian Sea and he highly praised the Caspian oilmen, who have enormous and rich experience in this field.

Speaking at the ceremony, U.S. Energy Secretary O'Leary stressed the role of Baku, saying it is important for profitable bilateral cooperation, and conveyed the greetings and congratulations of President Mr. Bill Clinton to President Geydar Aliyev.

O'Leary highly praised the staging of this exhibition under the current grave conditions for our people, especially when the Nagorno-Karabakh problem remains unsolved. She stressed that the United States will continue to defend Azerbaijan's independence and sovereignty. This, in her view, is the major condition for solid and sincere bilateral cooperation.

O'Leary also noted that the holding of the exhibition in Baku for the second time shows that there are many countries interested in Azerbaijan's unique wealth, and every opportunity will be used to address the emerging difficulties and problems jointly and with common sense.

As for the status of the Caspian Sea, O'Leary stated that the United States favors a solution of this problem in conformity with international law and norms alone. She expressed the belief that the Caspian Sea problem will be solved.

British Energy Minister Timothy Eggar stressed the importance of holding the exhibition in Baku, a city internationally renowned for its oil, and noted that the products and equipment displayed here for the second time will create great opportunities for free cooperation.

In his statement Turkish Energy Minister Veysel Atasoy praised the holding of the exhibition in Azerbaijan.

The leaders of the Swedish and Kazakhstan Energy Ministries and the president of the Russian company Lukoil also spoke at the ceremony. They noted that Sweden's participation in the consortium was instrumental in enhancing the interest of some oil firms in Azerbaijan, something that this is evinced by these firms displaying their products at the exhibition.

Afterward Aliyev and official foreign delegations familiarized themselves with the exhibits. The displays and information desks of various firms from the United States, France, Britain, Sweden, Turkey, and Russia pleased the guests. A tour of the pavilions also showed that more new firms from various countries are taking part in the exhibition. France's (?Elf) [word indistinct] and the American Exxon and Chevron are showing special interest in Azerbaijan. There were novelties in the displays of the Turkish and Russian oil firms. A carpet woven by Azerbaijani girls bearing Azerbaijan's national emblem attracted Aliyev and the guests, particularly O'Leary. This showed that economic cooperation is the major foundation for other types of ties and these ties should be developed.

Detailed information was given to President Aliyev and foreign guests on the other pavilions at the exhibition. [end recording]

Aliyev Talks Oil, Politics With U.S. Official

NC2305204095 Baku Azerbaycan Radio Televiziyasi Television Network in Azeri 1600 GMT 23 May 95

[FBIS Translated Text] We now present reports on President Aliyev's meeting with U.S. Energy Secretary O'Leary and Turkey's Energy Minister Veysel Atasoy.

[Begin recording] [Correspondent] The Azerbaijani president received U.S. Energy Secretary Hazel O'Leary at his residence.

Conveying the U.S. President's personal message to the Azerbaijani president, O'Leary said that Bill Clinton is very pleased with his meetings with Heydar Aliyev, is planning to send a congratulatory message on Azerbaijan's national independence day, and has issued special instructions in connection with the energy minister's visit to our country.

Saying he was happy to receive the first U.S. minister to independent Azerbaijan, President Aliyev spoke about rapprochement in U.S.-Azerbaijan relations in recent years and his meetings with President Clinton in New York, Budapest, and Moscow.

He declared that our economic cooperation resulting from the oil deal is also paving the way for political relations.

[Aliyev] We want to see a relationship of alliance between the United States and Azerbaijan. The grounds for this have already been paved. Our economic relations have already expanded. Five of 11 oil companies that signed the contract for the exploitation of the oilfields in the Azerbaijani sector of the Caspian Sea are American. Many more companies displayed their products in the exhibition, which we visited today, and I hope we will continue expanding our cooperation.

Given that energy forms the basis of this cooperation, we certainly pin great hopes on your personal efforts, Minister O'Leary. Undoubtedly, our relations with the companies are of an economic and commercial nature but they are gradually having an impact on our policy and on our political relations; we would very much like that these ties actually assume a political character. The Caucasus is a very interesting region. I believe that Azerbaijan's geopolitical and geographic position here and Azerbaijan's natural wealth and its economic potential will continue to interest the United States.

You are the first U.S. minister to visit Azerbaijan and I believe that these steps will lead to organizing more such visits on higher levels.

[Correspondent] Noting the United States' deep interest in Azerbaijan and Ambassador Kauzlarich's activities in expanding ties, O'Leary assured President Aliyev that the United States will defend Azerbaijan's struggle for independence.

Aliyev praised the U.S. secretary's statement on the defense of Azerbaijan's independence and territorial integrity at Caspian Oil-Gas-95 and indicated that he considers her remarks to have been issued by the United States. He pointed out that the United States' support will be a great help in protecting and consolidating our independence.

Touching on the Armenian-Azerbaijani conflict, Aliyev said we are relying on the United States to implement the decision adopted by the OSCE in December 1994 and for the peaceful resolution of the conflict.

Supreme Soviet Chairman Guliyev, Prime Minister Fuad Guliyev, Foreign Minister Gasan Gasanov, State Adviser Vefa Gulizade, Azerbaijan's ambassador to the United States, Akif Pashayev, and other officials took part in the meeting. [end recording] 7 President Aliyev also received Turkish Energy Minister Veysel

Atasoy today. They discussed the need to expand the businesslike relations between our republic and Turkey, which is one of the participants in the contract signed with the Western oil consortium and a fraternal country with historical relations with Azerbaijan. The importance of Caspian Oil-Gas-95 was viewed within this framework. The work done to implement the oil contract and urgent issues on the agenda were discussed. The sides examined various routes for the oil pipeline.

State Advisers Vefa Gulizade and Vahid Akhundov took part in the meeting.

British Energy Minister Discusses Caspian Sea

NC2305180295 Baku TURAN in English 1225 GMT 23 May 95

[FBIS Transcribed Text] Baku (May 23) TURAN—Last evening President Aliyev received the Energy Minister of Great Britain, Mr. Tim Eggar.

President Aliyev mentioned that the oil cooperation between Azerbaijan and Great Britain creates favourable conditions for strengthening of intergovernmental relations. On this occasion, he stressed the Azerbaijani-British intergovernmental memorandum concerning cooperation between two countries in development of Azeri offshore oil-fields.

Mr. Eggar mentioned with satisfaction that the work over implementation of the contract of century is passing ahead of the schedule.

Then Azeri President touched upon the Caspian status. "This contract has become very popular in the world. The majority of people positively assess the contract, while there are many people who are jealous about it", President Aliyev said. Azeri President mentioned that "several circles would like to block the implementation of the project".

"We are ready to discuss the Caspian status, but the interests of all countries must be observed. Azerbaijan is the only pri-Caspian state extracting oil on the Caspian, our country was the first, who concluded the first international contract on development on its oilfields. We are ready to discuss the Caspian status, but it must not be the hinder in the way of implementation of the signed document", Azeri President mentioned.

Tim Eggar mentioned that the Caspian status is not an easy issue. The Caspian is unique sea, but he thinks that this problem must be settled on the basis of the international law and accord of all pri-Caspian states. "In any case the Caspian status must not differ great from the current one", Mr. Eggar mentioned.

The British Energy Minister was also interested in the time of extraction the first oil and Baku's variant of the primary oil shipment.

Then the meeting continued behind the closed doors.

Oil Industry Discussed With Kazakh Official

NC2305194895 Baku Azerbaycan Radio Televiziyasi Television Network in Azeri 1600 GMT 23 May 95

[FBIS Translated Text] We reported earlier that after the opening of Caspian Oil-Gas-95 the Azerbaijani president met various energy leaders.

Azerbaijani President Heydar Aliyev also received (Baltabey Kuintikov), deputy oil and gas industry minister of Kazakhstan and president of Kazakhstan-Caspian Shell.

Here is a report from that meeting:

[Begin recording] [Correspondent] Receiving (Kuintikov), Azerbaijani President Geydar Aliyev noted that relations between Kazakhstan and Azerbaijan have always been good and that it is necessary—the conditions are conducive to it—to develop ties now that both countries have gained independence.

The president said that while Azerbaijan was not the organizer of the international exhibition, it is interested in seeing the Caspian countries taking part in it.

Baltabey Kuintikov expressed gratitude to the Azerbaijani president for receiving the delegation. He noted that the two countries' positions coincide on many issues, including on problems relating to the Caspian Sea. By taking part in the exhibition, Kazakhstan not only closely familiarized itself with the experience of oil companies, but also got acquainted with the oil equipment- producing enterprises of Azerbaijan, which has advanced experience in oil, and looked into the opportunities to form joint enterprises with these enterprises.

President Aliyev spoke on the vast experience of Azerbaijan's oilmen and indicated that our republic is ready to cooperate with Kazakhstan in oil extraction industry. An exchange of views was also held on other issues. [end recording]

Speaker Guliuev Meets Foreign Energy Ministers

NC2305185795 Baku Azerbaycan Radio Televiziyasi Television Network in Azeri 1600 GMT 23 May 95

[FBIS Translated Text] After the international [oil] exhibition, [Supreme Soviet Chairman] Rasul Guliyev held his first meeting with the delegation headed by the Turkish energy and natural resources minister, Veysel Atasoy.

The parliament chairman said he considered the development of ties with Turkey, specifically cooperation in the oil industry, as important. Views were exchanged on the potential of the Azerbaijani and Turkish energy industries and on the outlook for cooperation.

During the meeting with British Energy Minister Timothy Eggar, Guliyev noted the active British participation in economic cooperation and the matchless services of the energy minister in these relations, something Azerbaijan appreciates.

In addition to noting the importance of the exhibition in Baku, Eggar expressed the British Government's desire to develop the cooperation that would benefit both sides.

The same issue was discussed with Norway's industry and energy minister. The parliament speaker said Azerbaijan is interested in cooperation with Norway, which is famous for oil extraction from the sea, because Norway's long experience and advanced technology could form a basis for multisided cooperation. Other aspects of interstate relations were also touched upon.

Guliyev: Economic Laws Fail To Change Economy

NC2305180195 Baku TURAN in English
1225 GMT 23 May 95

[FBIS Transcribed Text] Baku (May 23) TURAN—Although during 1995 the Milli Mejlis adopted 24 economic laws, and 14 of them are directly connected with transition to the market economy, there no changes in the economy, the Chairman of Azerbaijan's Supreme Soviet, Rasul Guliyev, said during the meeting in the Parliament.

He said that first of all we should give economic freedoms. Guliyev mentioned that the laws must serve to free activities of physical and juridical persons of the country and despite the laws "On enterprises" and "On joint-stock corporations" the rights of the entrepreneurs as well as enterprises are still infringed.

The basic task of the Mejlis in the economic field is to discuss and adopt the privatisation program, which will be implemented up to 1998. After adoption of the program it is necessary to work out the mechanism of financial and monetary systems of the country for 1996-1998, which would have met the requirements of the privatisation period.

Among the remaining measures Rasul Guliyev mentioned the liberalisation of foreign trade, export and import regime. "Then we must adopt the law 'On tax' to bring the tax regime into accord with the demands of the market economy. Now the enterprises are compelled to give 85 percent of profit to the state, but it is unacceptable", he added.

And at last we must create the organised state control over the enterprises. Presently several officials in the leadership of the country are engaged in the control over the enterprises. The mechanism of creation and functioning of the joint-stock companies must be also created.

Moreover, in the coming days we must discuss the draft of law "On Control Chamber", which will ensure the control over implementation of the laws adopted by the Milli Mejlis.

Georgia

Germany Signs Financial Cooperation Agreement

LD2305131995 Tbilisi IPRINDA in Russian
1100 GMT 23 May 95

[FBIS Translated Text] Tbilisi (IPRINDA) — The press center of the Georgian Cabinet of Ministers reports that on 23 May Georgian Prime Minister Otar Patsatsia received Carl-Dieter Sprager, German federal minister for economic cooperation and development. After the meeting, the two sides signed an intergovernmental agreement on cooperation in the financial sphere (the agreement envisages allocating 20 million German marks for Georgia's power and engineering system).

Russian Commander on Situation in Security Zone

LD2305163795 Tbilisi IPRINDA in Russian
1230 GMT 23 May 95

[FBIS Translated Excerpt] Tsalenjikha (IPRINDA) [no date as received] — On 23 May an agency correspondent spoke to Major General Vasiliy Yakushev, the commander of the Russian peacekeeping forces in the Georgian-Abkhaz conflict zone, who is currently in Tsalenjikha district.

Gen. Yakushev said that the situation in the so-called security zone was extremely complex and that banditry was rife. [passage omitted] He said that in order to improve the crime situation it was important to restrict passage to Gali district and cut down the Abkhaz militia contingent there as they were not professional staff, but merely the people who had participated in battles in Abkhazia.

Answering an agency correspondent's question on whether there were 700,000 mines and charges in Gali district (Tamaz Nadareishvili, the chairman of the Supreme Council of the autonomous republic of Abkhazia, dwelled on this issue at the recent session of the Georgian Parliament), Gen. Yakushev said that there were indeed large quantities of mines in Gali district. He went on to say that probably he and Nadareishvili had conflicting figures on the existing mines, but the fact remained that there were still instances of people and cattle being blown up by mines. The situation is exacerbated by the unavailability of the so-called mine charts. During the Georgian-Abkhaz war, mines were planted at random and in inconceivable numbers.

When answering the agency correspondent's question on the return of the refugees, Gen. Yakushev said that [Abkhaz leader] Vladislav Ardzinba thought it was possible for 200 refugees to return daily. Yakushev added that the figure was too small and went on to say that it should increase to 1,000. Yakushev also said that it would be necessary to increase the number of working groups dealing with organizational problems.

Abkhazia To Register Returning Refugees

LD2305152595 Moscow INTERFAX in English 1225 GMT 23 May 95

[FBIS Transcribed Text] SUKHUMI, May 23 (Interfax) — On order from Abkhazian leader Vladislav Ardzinba, groups for registering the Georgian refugees who have spontaneously returned to the Ghali district, will be set up in Abkhazia, Chairman of Abkhazia's Commission for Refugees Otar Kakalia told Interfax. He said that the registration was to begin on Thursday [25 May].

He also said that Georgia was to hand Abkhazia the first 200 refugee files on May 25.

Possible attacks by Georgian bandit and subversive groupings in the Ghali district could be a problem during the registration. "We count on the support of Russia's peacekeeping forces," said Kakalia.

All Political Groups Ordered To Surrender Weapons

LD2305150995 Moscow INTERFAX in English 1256 GMT 23 May 95

[FBIS Transcribed Text] TBILISI, May 23 (Interfax) - All Georgian political organizations illegally possessing arms have been ordered to voluntarily give them up to the authorities by June 6, the chief spokesman for the former Soviet republic's Interior Ministry has said.

After that date, "the police will use tough measures to enforce the decree by the head of state ordering the disarmament of all political groups," Colonel Valerian Gogolashvili, head of the Interior Ministry press center, told Interfax.

The police possess "fairly detailed information about who holds weapons and what amount of them they have," Gogolashvili continued. According to that information, weapons are held today not only by opposition parties but also by organizations which actively support the government. "The police won't do any selective disarming. All political groups will be brought into that process," the colonel warned.

In his May 22 decree on additional measures to enforce a law that allows weapons to be borne only by armed forces, police and national security personnel, head of state Eduard Shevardnadze says large amounts of firearms, military equipment and ammunition have already been confiscated from "illegal armed formations" and individuals. The Rescue Corps, formed from members of the Mkhedrioni paramilitary organization, is continuing to voluntarily give up its weapons, Shevardnadze says.

New Opposition Coalition Appeals for Support

AU2405105695 Tbilisi IBERIA-SPEKTRI in Georgian 16 May 95 p 1

["Appeal!" from unnamed opposition parties, groups, public organizations, and individuals; place and date not given]

[FBIS Translated Text] We, political opposition associations and representatives of society, appeal to the 5.5 million population of Georgia and declare to the whole world:

Given that there has been an alarming deterioration and extension of the all-embracing crisis in Georgia, which is a UN member state, and the country is hurtling nonstop toward a political, economic, social, and cultural and moral catastrophe;

Given that not only our country's territorial integrity, which has been formed throughout history, but also its very ancient statehood, which is 2,500 years old, and national independence are being infringed upon;

Given that there is no mutual trust, understanding, and respect between the authorities and people in our country, which is an essential condition for the strengthening of any state and whose absence creates an explosive situation not only in our country but also in the entire Caucasian region;

Given that Georgia's current authorities, against the will of the people (by disregarding the results of the universal referendum of 1991), again took our country back into Russia's Soviet-communist oriented empire — the CIS — and, proceeding from this, isolated Georgia from the world's free community;

Given that all this basically stems not from "world cataclysms" but from the incompetent policy of Georgia's current authorities, a policy that is unacceptable to the nation, the basis for which was the coup d'etat carried out by them at the end of 1991 and the beginning of 1992,

We view it as essential to concentrate within a single opposition coalition all intellectual forces whose aim is to change the dark reality into something positive. (We feel it necessary to confirm here that, in all democratic states in the modern world, in parallel to the ruling authorities, there should exist and, moreover, exists an opposition to them as it is precisely political dynamics that creates universal progress and ensures the real development of genuine democracy.)

Proceeding from this and confirming our support for the principles formulated by representatives of the Georgian intelligentsia (IBERIA-SPEKTRI, No. 122, 1995), we appeal to all political parties, public organizations, and individuals to join the **"United Georgia"** opposition coalition whose task is to change the historic will of the Georgian people — Georgia's independence — from something de jure into something de facto as:

Georgia should become an independent democratic state, whose leading principles should be recognized as:

Complete neutrality;

Equal relations with the world's states, including, of course, Russia and the Caucasian countries;

The unconditional transfer to a market economy;

The complete defense of human rights, irrespective of an individual's nationality and political or religious affiliation.

The coalition's task at this stage is to examine in a critical light the political policy of Georgia's current authorities and, if necessary, to struggle for their replacement by competent authorities using civilized means and methods, including universal elections.

We believe that all progressively-minded political parties and public organizations and all our compatriots will fathom the real situation in Georgia and [attitudes] toward it and will undoubtedly reach the conclusion that the one purposeful and successful course of action is to unite within the universal opposition — let us call it "United Georgia."

This document has, up to now, been signed by a number of political parties, public organizations, and individuals, but, at the same time, it has been decided that we should refrain from naming them so as not to encourage gossip, which is a characteristic of our modern society, or, what is worse, an attempt to divide and disperse once more the supporters of Georgia's full independence. We ask God to give us all the ability to fathom the prevailing real situation and to approach pragmatically — yes, pragmatically! — three basic points:

1. The same process that was implemented in the second half of the 1920s has already begun and is "imperceptibly" but intensively underway: This is the strengthening of the state that was the Soviet Union and is now called the CIS, which will again bury Georgia's real independence for a very long time;

2. We should oppose not any specific negative results of the policy of the current authorities but the consolidation of that policy itself, which can only be achieved by gradually replacing Georgia's pro-Russian and pro-imperial government with one that is nationally oriented;

3. In order to achieve this, it is essential, first and foremost, to create and firmly establish a powerful universal opposition coalition.

Estonia

Meri: Prepared To Normalize Ties With Russia

LD2305190895 Moscow INTERFAX in English 1754 GMT 23 May 95

[From the "Diplomatic Panorama" feature: by Aleksandr Korzun, Igor Porshnev, Yevgeniy Terekhov, and others]

[FBIS Transcribed Text] TALLINN, May 23 (Interfax) — Estonia is prepared to normalize ties with Russia, President Lennart Meri told Russian journalists in Tallinn Tuesday [23 May].

He said that his country does not want the relations with Russia to be cold but expects Russia to distance itself unambiguously from the policies of the former USSR and to state officially that it does not regard itself as a successor to the aggressive Stalinist policy. Meri emphasized that Moscow had not done so with regard to Estonia, Latvia and Lithuania.

Commenting on the recent remarks made by the Russian Foreign Minister Andrey Kozyrev that force, in particular military force, could be used to protect ethnic Russians abroad, Meri said that "this happens to statesmen" when they are engaged in electioneering.

Meri believes that relations with neighboring countries should never be sacrificed for expediency in domestic policy.

He said that as a result of World War II Russia took 5 percent of Estonian territory, east of Narva and in the southeast of the country. Meri called for a quiet discussion with Moscow officials aimed at resolving the border issue in the interests of the two sides and in a friendly way.

In his words, as long as there is no treaty on the border with Russia it is difficult for Estonia to integrate into the European Union. Meri believes that Russia's prestige would be enhanced if it resolved the border issue with Estonia.

He made it clear that there are no differences over relations with Russia between himself and the government.

Meri said that he and the presidents of Latvia and Lithuania did not attend the celebrations in Moscow marking the 50th anniversary of the victory over the Nazi Germany because they were not happy over the outcome of the war for their countries. The totalitarian Nazi regime was replaced by a totalitarian Soviet regime, Meri explained. He said he had sent a "very personal" letter about it to Russian President Boris Yeltsin.

Ukrainian Envoy Brings Message From Kuchma

LD2305192495 Tallinn Radio Tallinn Network in Estonian 1700 GMT 23 May 95

[FBIS Translated Text] The president received today Ukrainian Ambassador Yuriy Olenenko, who handed over a message from Ukrainian President Leonid Kuchma. The message clarifies Ukrainian principles on integration into the European structures and voices gratitude to Estonia over the support Estonia has consistently shown to Ukrainian endeavors to become a member of the Council of Europe.

Leonid Kuchma also thanks the Estonian president for the letter sent on 2 April that explained the reasons behind declining the invitation to 9 May festivities in Moscow. Leonid Kuchma notes in his message that he understands the Estonian president's decision.

Tomorrow Ukrainian President Leonid Kuchma will arrive in Estonia for a visit.

Latvia

Reportage on Visit of Ukrainian President Kuchma

Talks With Latvian Counterpart

LD2405110695 Riga Radio Riga Network in Latvian 0900 GMT 24 May 95

[FBIS Translated Text] Ukrainian President Leonid Kuchma and that country's delegation are spending their second day in Riga. In the morning President Kuchma visited the Ukrainian school in Riga and met with representatives of the Ukrainian community in Latvia. After that the Ukrainian president and his wife visited the old town of Riga. But at this time the talks between Leonid Kuchma and Latvian President Guntis Ulmanis are beginning. A joint news conference of the two presidents is scheduled to take place after the talks.

Leonid Kuchma will also take part today in the opening of the Ukrainian Embassy. After that he will leave for Tallinn.

Ulmanis, Kuchma Sign Agreement

LD2305162895 Riga Radio Riga Network in Latvian 1300 GMT 23 May 95

[FBIS Translated Excerpt] Ukrainian President Leonid Kuchma and Mrs. Ludmyla Kuchma arrived in Latvia today on a two-day state visit. The Ukrainian president is accompanied by the foreign minister, the minister of foreign economic relations, the head of the state customs committee, the minister of justice, and the chairman of the board of the National Bank.

After the official welcoming ceremony at the airport, the Ukrainian delegation went to Riga Castle where Kuchma met Latvian State President Guntis Ulmanis to sign a friendship and cooperation agreement between Latvia and Ukraine and a joint political declaration relating to this agreement. Representatives of the delegations of the two countries also signed an agreement on mutual assistance in customs issues, agreement on mutual legal assistance in criminal, civil, and family cases, an air traffic agreement, and an agreement on auto traffic.

Talks between the Latvian and Ukrainian delegations were also held at the same time.

The esteemed guest today also met Latvian Parliament speaker Anatolijs Gorbunovs and a meeting with Foreign Minister Valdis Birkavs has been scheduled to take place in less than half an hour. It is planned to discuss during the meeting issues related to the European Union and NATO and cooperation between the two countries within common European organizations. Talks with Latvian businessmen will also be held today.

The Ukrainian president's wife, Ludmyla Kuchma, for her part today visited the Latvian History Museum, Turaida Castle, and the Dainu Kalns. [passage omitted]

Ukrainian President Meets Businessmen

LD2305183795 Riga Radio Riga Network in Latvian 1700 GMT 23 May 95

[FBIS Translated Text] Proof of the (?desire for) broader development of economic relations between Ukraine and Latvia is the fact that [Ukrainian President] Leonid Kuchma today met with Latvian businessmen. Economics Minister Janis Zvanitajs, who [word indistinct] at this meeting in the sphere of [word indistinct], said that there was great interest from the businessmen. Taking part in the discussion were representatives of those businesses that have managed to establish real business links with partners in Ukraine. Examples of these are Jelgavas [word indistinct], Liepajas [word indistinct], the Riga carriage works, together with representatives of businesses and the government. Also present at the meeting were the directors of the Latvian Development Agency, the Chamber of Trade and Industry, the Latvian Export Promotion Association, and the Commercial Banks Association.

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